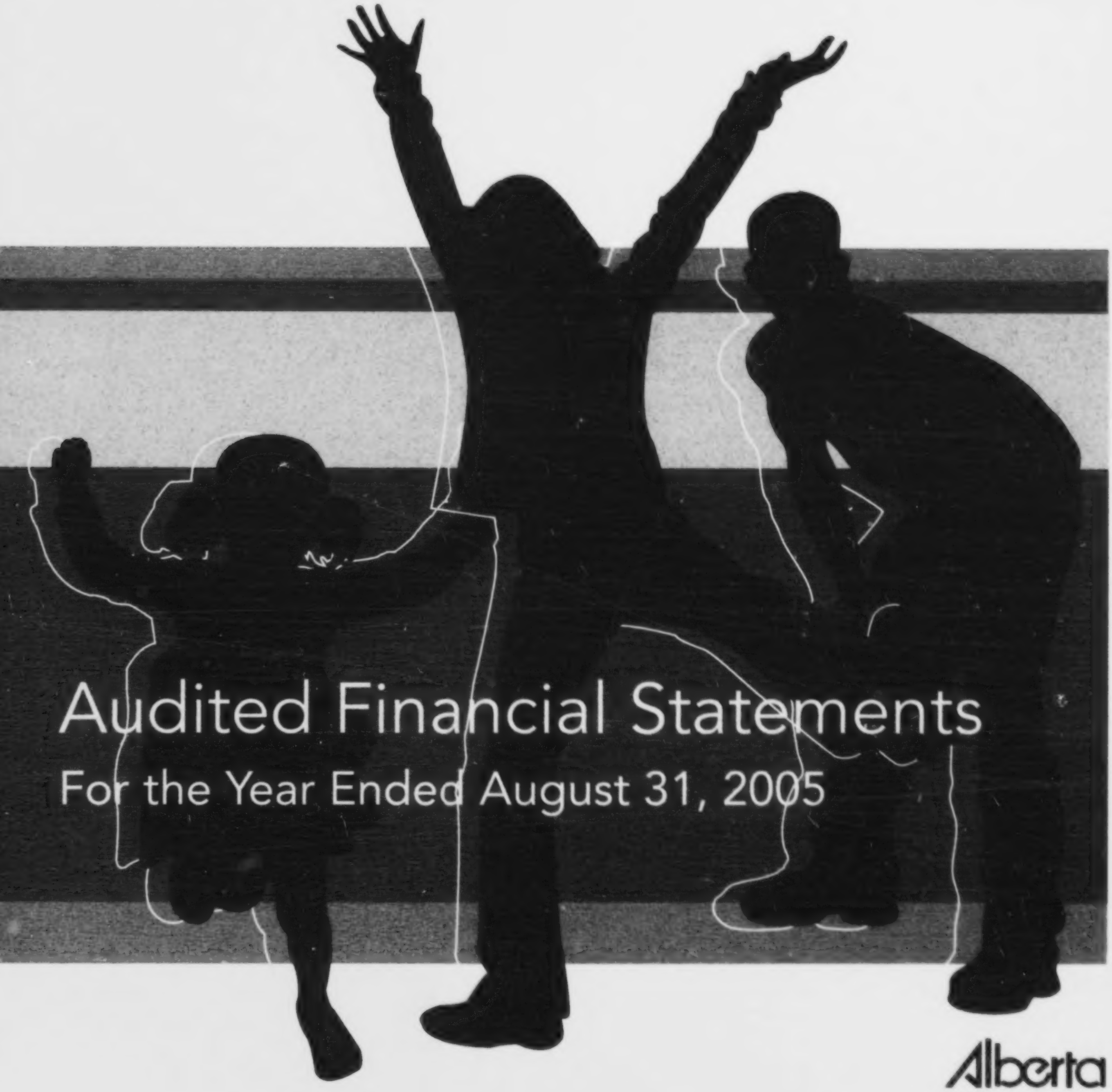
School Jurisdictions

Section 1

Almadina School Society
to Evergreen Catholic Separate
Regional Division No. 2



Audited Financial Statements

For the Year Ended August 31, 2005

Alberta
EDUCATION

A printed copy of the audited financial statements of school jurisdictions (in three volumes) is available for reference at the following Alberta depository libraries:

- Alberta Legislature Library
- Calgary Public Library
- Edmonton Public Library
- University of Alberta Library
- University of Calgary Library
- University of Lethbridge Library

These audited financial statements are available on the Internet at www.education.gov.ab.ca/funding/afs/

ISSN 1710-1395

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2007-04806/

School Jurisdictions Audited Financial Statements

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Section 2 of this report is published under separate cover. It provides the audited financial statements for the year ended August 31, 2005 submitted by school jurisdictions whose legal name begins with the letters F through M inclusive.

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Living Waters Catholic Regional Division No. 42 931
Livingstone Range School Division No. 68 951
Medicine Hat Catholic Separate Regional Division No. 20 971
Medicine Hat School District No. 76 991
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Section 3 - School Jurisdictions N - Z

New Horizons Charter School Society to Wolf Creek School Division No. 72

Section 3 of this report is published under separate cover. It provides the audited financial statements for the year ended August 31, 2005 submitted by school jurisdictions whose legal name begins with the letters N through Z inclusive.

New Horizons Charter School Society 1051
Northern Gateway Regional Division No. 10 1071
Northern Lights School Division No. 69 1095
Northland School Division No. 61 1117
Northwest Francophone Education Region No. 1 1137
Palliser Regional Division No. 26 1159
Parkland School Division No. 70 1179
Peace River School Division No. 10 1201
Peace Wapiti School Division No. 76 1221
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Red Deer Catholic Regional Division No. 39 1305
Red Deer Public School District No. 104 1327
Rocky View School Division No. 41 1349
St. Albert Protestant Separate School District No. 6 1367
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St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38 1409
Sturgeon School Division No. 24 1431
Suzuki Charter School Society 1451
Westmount Charter School Society 1469
Westwind School Division No. 74 1489
Wetaskiwin Regional Division No. 11 1507
Wild Rose School Division No. 66 1529
Wolf Creek School Division No. 72 1549

School Jurisdiction Code: 6021

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Almadina School Society
Legal Name of School Jurisdiction

225 28 St SE Calgary, AB T2A 5K4
Mailing Address

403 543-5070 403 543-5073
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Almadina School Society (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Mohamod Abbas	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT	
Dr. Pier DePaola	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Cindy Roettger	"ORIGINAL SIGNED"
Name	**Signature**

28-Nov-05
Board-approved Release Date

c.c. ALBERTA EDUCATION, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

DAVID G. MARSHALL PROFESSIONAL CORPORATION

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Suite 501, 609 - 14th Street N.W.
CALGARY, ALBERTA T2N 2A1
(403) 228-3395
FAX (403) 228-9064

Auditor's Report

To the Board of Directors
Almadina School Society

I have audited the statement of financial position of the Almadina School Society as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, its cash flows, its net assets and its capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, presents fairly, in all material respects, in relation to the basic financial statements taken as a whole.

David G. Marshall

Professional Corporation
Chartered Accountant

Calgary, Alberta
November 22, 2005

School Jurisdiction Code: 6021

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$496,608	$317,729
Accounts receivable (net after allowances)		$185,443	$179,709
Prepaid expenses		$59,639	$33,943
Other current assets		$0	$0
Total current assets		$741,690	$531,381
School generated assets		$0	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$39,947		
Less: accumulated amortization	$0	$39,947	$0
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$39,947	$0
TOTAL ASSETS		$781,637	$531,381
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$226,995	$80,467
Deferred revenue		$89,990	$0
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$316,985	$80,467
School generated liabilities		$0	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$0	$0
TOTAL LIABILITIES		$316,985	$80,467
NET ASSETS			
Unrestricted net assets		$398,008	$424,217
Operating Reserves		$26,697	$26,697
Accumulated Operating Surplus (Deficit)		$424,705	$450,914
Investment in capital assets		$39,947	$0
Capital Reserves		$0	$0
Total Capital Funds		$39,947	$0
Total net assets		$464,652	$450,914
TOTAL LIABILITIES AND NET ASSETS		$781,637	$531,381

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6021

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$4,745,497	$5,115,428	$3,208,614
Federal Government and/or First Nations	$0	$0	$933,176
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$0	$0	$0
Transportation fees	$38,731	$49,500	$32,940
Other sales and services	$683	$0	$0
Investment income	$7,528	$2,000	$5,131
Gifts and donations	$250	$0	$0
Rentals of facilities	$305	$0	$0
Net school generated funds	$0	$0	$0
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$4,792,994	$5,166,928	$4,179,861
EXPENSES			
Certificated salaries	$1,923,560	$2,144,055	$1,840,986
Certificated benefits	$199,305	$312,183	$185,673
Uncertificated salaries and wages	$324,756	$356,455	$304,487
Uncertificated benefits	$41,996	$68,652	$47,247
Services, contracts and supplies	$2,289,639	$2,147,196	$1,512,741
Net school generated funds	$0	$0	$0
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Amortization of capital assets	$0	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$4,779,256	$5,028,541	$3,891,134
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$13,738	$138,387	$288,727
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$13,738	$138,387	$288,727

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6021

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$13,738	$288,727
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$0	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($5,734)	($79,236)
Prepaids and other current assets	($25,696)	($13,077)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$146,528	($83,799)
Deferred revenue	$89,990	($20,816)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$218,826	$91,799
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	($39,947)	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($39,947)	$0
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$178,879	$91,799
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$317,729	$225,930
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$496,608	$317,729

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 6021

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL INTERNALLY RESTRICTED NET ASSETS** Cols 5 to 14	**INTERNALLY RESTRICTED NET ASSETS**									
					School Based		**Infrastructure**		**Board & System Admin.**		**Transportation**		**External Services**	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$450,914	$0	$424,217	$26,697	$0	$0	$26,697	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$450,914	$0	$424,217	$26,697	$0	$0	$26,697	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	$13,738		$13,738											
Board funded capital transactions		$39,947	($39,947)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		$0	$0											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$464,652	$39,947	$398,008	$26,697	$0	$0	$26,697	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 6021

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

1. **Authority and Purpose**

Almadina School Society is a non-profit Society incorporated under the Society's Act of Alberta. The Society operates the Almadina Language Charter Academy ("Academy") which is a public school under Part 2, Division2.1 of the School Act of Alberta. The Academy offers educational programs from ECS to grade 9 with special emphasis on English as a Second Language.

The Society is registered with the Canada Revenue Agency as a Charitable Organization, and for income tax purposes is a non-taxable profit organization.

2. **Summary of Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) **Revenue Recognition** - Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) **Capital Assets** - Capital Assets are recorded at cost and amortized over their estimated useful lives on a straight line basis commencing in the year subsequent to the capital asset purchase at the following rates:

Computer equipment	10% to 20%

Capital assets with individual costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) **Vacation Pay** - Vacation pay is accrued in the period in which the employee earns the benefit.

d) **Prepaid Expenses** - Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

ALMADINA SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2005

2. Summary of Significant Accounting Policies Continued

e) **Contributed Services** - Volunteers contribute a number of hours per year to the Society to ensure certain programs are delivered, such as lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact these services are not otherwise purchased, contributed services are not recognized in these financial statements.

f) **Financial Instruments** - Financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

g) **Operating and Capital Reserves** - Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

h) **Net Assets Invested in Capital Assets** - Net assets invested in capital assets represents the Society's net investment in its total capital assets.

i) **Pension Plan** - The Society's certified employees are required to contribute to the Teachers' Retirement Fund, a multi-employer pension plan. Although this is a defined benefit plan, any experience of gains or losses is determined by actuarial valuations and is the responsibility of the Province of Alberta and these employees. Accordingly, no disclosure is provided in these financial statements relating to the possible effects of participation in the Pension Plan by the Society's employees.

3. Accounts Receivable

	2005	2004
Trade receivables	$ 6,468	$ 1,130
Alberta Education grants	152,955	162,974
GST refund	26,020	15,605
	$ 185,443	$ 179,709

4. Capital Assets

	2005 Cost	2005 Accumulated Amortization	2005 Net Book Value	2004 Net Book Value
Computer equipment	$ 39,974	$ -	$ 39,974	$ -

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Trade payables	$ 3,393	$ 72,529
Accrued liabilities	8,402	7,938
Alberta Infrastructure	215,200	-
	$ 226,995	$ 80,467

6. DEFERRED REVENUE

	2005	2004
Alberta Initiative for School Improvement	$ 3,042	$ -
Infrastructure PO & M Grant	86,948	-
	$ 89,990	$ -

7. COMMITMENTS

The Society leases the school facilities from the Calgary Board of Education for the elementary program, and the Muslim Community Foundation of Calgary for the junior high and ECS programs as follows:

a) **Elementary Program** - the future minimum annual lease payment as of August 31, 2005 under the operating lease agreement, with an expiry date of July 31, 2006, is $403,514.

b) **Junior High and ECS Programs** - the future minimum annual lease payment as of August 31, 2005 under the operating lease agreement, with an expiry date of June 30, 2006, is $245,200.

The Board of Directors is of the opinion that both operating leases will be renewed.

8. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Directors. It is presented for information purposes only and has not been audited.

9. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Almadina School Society's primary source of income is from the Alberta Government and their ability to continue viable operations is dependent on this continued funding by Alberta Education.

SCHEDULE A to the AFS

School Jurisdiction Cod 6021

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$3,702,688	$3,327,779	$90,969	$227,840	$56,100	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3)	Regular Operations & Maintenance support	$1,042,809		$1,042,809			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$1,042,809	$0	$1,042,809			
(6)	**Alberta Finance**	$0		$0			$0
(7)	**Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$0	$0				
(13)	**Transportation fees**	$38,731			$38,731		
(14)	**Other sales and services**	$683	$683	$0	$0	$0	$0
(15)	**Investment income**	$7,528	$0	$0	$0	$7,528	$0
(16)	**Gifts and donations**	$250	$250	$0	$0		$0
(17)	**Rentals of facilities**	$305	$0	$0	$0	$305	$0
(18)	**Net school generated funds**	$0	$0			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$0	$0	$0	$0		$0
(21)	**TOTAL REVENUES**	$4,792,994	$3,328,712	$1,133,778	$266,571	$63,933	$0
	EXPENSES						
(22)	**Certificated salaries**	$1,923,560	$1,923,560			$0	$0
(23)	**Certificated benefits**	$199,305	$199,305			$0	$0
(24)	**Uncertificated salaries and wages**	$324,756	$324,756	$0	$0	$0	$0
(25)	**Uncertificated benefits**	$41,996	$41,996	$0	$0	$0	$0
(26)	**SUB - TOTAL**	$2,489,617	$2,489,617	$0	$0	$0	$0
(27)	**Services, contracts & supplies**	$2,289,639	$414,511	$1,133,778	$514,575	$226,775	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$0	$0				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$0	$0	$0	$0	$0	$0
(31)	Unsupported	$0	$0	$0	$0	$0	$0
(32)	Total Amortization	$0	$0	$0	$0	$0	$0
	Interest on capital debt						
(33)	Supported	$0	$0	$0	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$4,779,256	$2,904,128	$1,133,778	$514,575	$226,775	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$13,738	$424,584	$0	($248,004)	($162,842)	$0

School Jurisdiction Code: 6021

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$104,244
Base Instruction (Gr 1-12)	$2,288,371
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$820,751
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$4,223
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$108,316
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$61,016
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe):	$315,767
Total Alberta Education Revenues	$3,702,688

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 6021

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$260,245	$96,185	$44,806		$0	$0	$401,236
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$28,303	$0		$0		$28,303
English as a Second Language	$433,940	$168,490	$9,799		$0		$612,229
French Language Program & Francisation (all jurisdictions)	$0	$0	$12,629		$0		$12,629
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$17,497	$12,370	$28,107	$0	$0		$57,974
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$124,277	$0	$0	$0	$0		$124,277
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$1,258,603	$89,707	$289,415	$32,585	$0	$0	$1,667,480
TOTAL EXPENSES	$2,094,562	$395,055	$384,756	$32,585	$0	$0	$2,904,128

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	1.0

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 6021

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		**$4,779,256**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$286,755

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $56,100	$56,100	$286,755
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$286,755**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$226,775
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$226,775
MAXIMUM EXPENSE LIMIT	$286,755
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$59,980

School Jurisdiction Code: 6021

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$0
Source of Net School Generated Funds:				
Fundraising activities	$0	$0	$0	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools	$0		$0	
Other (describe)	$0	$0	$0	
Net Additions to SGF	$0	$0		$0
Net SGF Available for Discretionary Spending				$0
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School beautification			$0	
Field Trips			$0	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$0
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 6021

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$153,126	$62,931	$0	$0	$780,697	$996,754		$996,754
Supplies	$0	$0	$0	$0	$0	$0		$0
Electricity			$35,202			$35,202		$35,202
Natural Gas/Heating Fuel			$75,735			$75,735		$75,735
Sewer and Water			$13,185			$13,185		$13,185
Telecommunications			$6,577			$6,577		$6,577
Insurance					$6,325	$6,325		$6,325
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$153,126	$62,931	$130,699	$0	$787,022	$1,133,778	$0	$1,133,778
SQUARE METRES								
School Buildings								9,865.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	2.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6021

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Abdulnasser Kadri	1.0	$0	$0	$1,305			$1,305	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Issa mosa	1.0	$0	$0	$1,440			$1,440	$0
Name	Mohamod Abbas	1.0	$0	$0	$1,125			$1,125	$0
Name	Abdirahman Ainanshe	1.0	$0	$0	$1,260			$1,260	$0
Name	Mohamad Eljabali	1.0	$0	$0	$1,575			$1,575	$0
Name	Ali Farhan	1.0	$0	$0	$1,530			$1,530	$0
Name	Ilias Louati	1.0	$0	$0	$1,215			$1,215	$0
Name		0.0	$0	$0	$70			$70	$0
Name		0.0	$0	$0	$140			$140	$0
Name		0.0	$0	$0	$140			$140	$0
Name		0.0	$0	$0	$140			$140	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$0*	*$0*	*$9,940*			*$9,940*	*$0*
Superintendent	Pier DePaola	0.9	$113,150	$0	$0	$0	$0	$113,150	$833
Superintendent			$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Aamein Huq	0.6	$46,000	$0	$0	$0	$0	$46,000	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Tracie Hodai	0.4	$13,405	$0	$0	$0	$0	$13,405	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		33.0	$1,923,560	$199,305	$0	$0	$0	$2,122,865	
Uncertificated Salaries & Wages		10.5	$324,756	$41,996	$0	$0	$0	$366,752	
TOTALS			**$2,420,871**	**$241,301**	**$9,940**	**$0**	**$0**	**$2,672,112**	

Note: Please refer to completion information on page 15

Superintendnet, Treasurer and Board Secretary are contract positions

School Jurisdiction Code: 2125

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Aspen View Regional Division No. 19
Legal Name of School Jurisdiction

3600 - 48 Avenue Athabasca, Alberta T9S 1M8
Mailing Address

Phone (780) 675-7080 Fax (780) 675-3660
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Aspen View Regional Division No. 19 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. David Dacyk	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT

Dr. Rudi Grab, PhD	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Mr. Dave Holler	**"ORIGINAL SIGNED"**
Name	**Signature**

16-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
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E-MAIL office@wildeandco.com

AUDITORS' REPORT

To the Board of Trustees
Aspen View Regional Division No. 19

We have audited the statement of financial position of the Aspen View Regional Division No. 19 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

'Original Signed'
Wilde & Company

Chartered Accountants

Vegreville, Alberta
October 19, 2005

School Jurisdiction Code: 2125

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$2,490,632	$1,592,076
Accounts receivable (net after allowances)		$1,076,334	$1,619,043
Prepaid expenses		$181,301	$297,639
Other current assets		$3,024,856	$3,000,000
Total current assets		$6,773,123	$6,508,758
School generated assets		$505,975	$472,770
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$317,785	$317,785
Buildings	$30,157,567		
Less: accumulated amortization	($18,518,214)	$11,639,353	$12,690,216
Equipment	$1,396,716		
Less: accumulated amortization	($585,955)	$810,761	$1,000,044
Vehicles	$665,587		
Less: accumulated amortization	($497,579)	$168,008	$181,947
Total capital assets		$12,935,907	$14,189,992
TOTAL ASSETS		$20,215,005	$21,171,520
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,919,259	$2,331,086
Deferred revenue		$491,396	$698,085
Deferred capital allocations		$90,798	$385,938
Current portion of all long term debt		$571,224	$744,295
Total current liabilities		$3,072,677	$4,159,404
School generated liabilities		$505,975	$472,770
Trust liabilities		$0	$0
Employee future benefits liability		$237,459	$209,523
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$3,397,162	$3,963,093
	Less: Current portion of supported debt	($442,338)	($565,931)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$584,747	$763,111
	Mortgages	$0	
	Less: Current portion of unsupported debt	($128,886)	($178,364)
Unamortized capital allocations		$8,016,737	$8,333,309
Total long term liabilities		$12,170,856	$12,997,511
TOTAL LIABILITIES		$15,243,533	$17,156,915
NET ASSETS			
Unrestricted net assets		$364,553	$354,112
Operating Reserves		$3,352,630	$2,034,622
Accumulated Operating Surplus (Deficit)		$3,717,183	$2,388,734
Investment in capital assets		$758,897	$1,130,479
Capital Reserves		$495,392	$495,392
Total Capital Funds		$1,254,289	$1,625,871
Total net assets		$4,971,472	$4,014,605
TOTAL LIABILITIES AND NET ASSETS		$20,215,005	$21,171,520

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2125

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$30,364,288	$28,601,043	$28,711,506
Federal Government and/or First Nations	$558,129	$650,000	$715,984
Other Alberta school authorities	$20,424	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$248,605	$206,449	$281,860
Transportation fees	$0	$0	$0
Other sales and services	$712,298	$504,229	$597,846
Investment income	$147,715	$116,000	$127,965
Gifts and donations	$19,599	$5,800	$27,337
Rentals of facilities	$42,750	$56,940	$48,155
Net school generated funds	$739,376	$900,000	$822,596
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$882,503	$750,741	$748,906
Total Revenues	$33,735,687	$31,791,202	$32,082,155
EXPENSES			
Certificated salaries	$13,208,379	$13,881,703	$14,120,832
Certificated benefits	$1,441,226	$1,509,319	$1,423,505
Uncertificated salaries and wages	$5,283,610	$4,498,332	$5,181,769
Uncertificated benefits	$1,099,674	$921,451	$1,034,690
Services, contracts and supplies	$9,333,881	$8,405,063	$8,909,519
Net school generated funds	$739,376	$900,000	$822,596
Capital and debt services			
Amortization of capital assets			
Supported	$882,503	$750,741	$748,906
Unsupported	$396,923	$470,362	$365,942
Total Amortization of capital assets	$1,279,426	$1,221,103	$1,114,848
Interest on capital debt			
Supported	$343,771	$384,240	$403,380
Unsupported	$49,477	$0	$0
Total Interest on capital debt	$393,248	$384,240	$403,380
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$112,446
Total Expenses	$32,778,820	$31,721,211	$33,123,585
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$956,867	$69,991	($1,041,430)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$956,867	$69,991	($1,041,430)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2125

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$956,867	($1,041,430)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($882,503)	($748,906)
Total amortization expense	$1,279,426	$1,114,848
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$112,446
Changes in accrued accounts:		
Accounts receivable	$542,709	($301,924)
Prepaids and other current assets	$91,482	($1,038,761)
Long term accounts receivable	$0	
Long term investments	$0	
Payables and accrued liabilities	($411,827)	$488,795
Deferred revenue	($206,689)	$9,381
Employee future benefit expense (recovery)	$27,936	$26,568
Other (describe)	$0	
Total sources (uses) of cash from Operations	$1,397,401	($1,378,983)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	($909,917)
Vehicles	($25,341)	($32,342)
Net proceeds from disposal of capital assets	$0	$786,330
Other (describe)	$0	($385,938)
Total sources (uses) of cash from Investing activities	($25,341)	($541,867)
C. FINANCING ACTIVITIES		
Capital allocations	($295,140)	$385,938
Issue of long term debt	$0	$763,111
Repayment of long term debt	($744,295)	($593,021)
Add back: supported portion	$565,931	$593,021
Other (describe)		$0
Total sources (uses) of cash from Financing activities	($473,504)	$1,149,049
Net sources (uses) of cash during year	$898,556	($771,801)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$1,592,076	$2,363,877
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,490,632	$1,592,076

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 2125

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$4,014,605	$1,130,479	$354,112	$2,530,014	$2,034,622	$370,000		$125,392		$0		$0	$0	$0
Prior period adjustments (describe)														
	$0	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$4,014,605	$1,130,479	$354,112	$2,530,014	$2,034,622	$370,000	$0	$125,392	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	$956,867		$956,867											
Board funded capital transactions		$25,341	($25,341)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,279,426)	$1,279,426											
Amortization of capital allocations		$882,503	($882,503)											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0				$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($1,401,976)	$1,401,976	$1,049,343		$0		$0		$352,633		$0	
Net transfers from operating reserves			$83,968	($83,968)	($83,968)		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$4,971,472	$758,897	$364,553	$3,848,022	$2,999,997	$370,000	$0	$125,392	$0	$0	$352,633	$0	$0	$0

School Jurisdiction Code: 2125

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$385,938	$8,333,309
Prior period adjustment		$0
Adjusted balance, August 31, 2004	$385,938	$8,333,309
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects		
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$8,467	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	($303,607)	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$565,931
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$882,503
Balance at August 31, 2005	$90,798	$8,016,737

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis at the following rates:
Buildings - 2.5 to 10%
Equipment - 20%
Vehicles - 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Aspen View Regional Division No. 19 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $326,918 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

f) Prepaid Expenses

Certain expenditures incurred before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

g) Financial Instruments

These consist of cash, marketable securities, accounts receivable, accounts payable, accrued liabilities and long term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

i) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

j) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2005, the recorded obligation is $237,459 (2004 - $209,523). The total expense recorded in the financial statements is $27,936 (2004 - $26,568).

k) Investments

Long term investments are valued at the cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

3. ACCOUNTS RECEIVABLE

		2005		2004
Provincial government grants	$	804,683	$	1,445,153
Federal government		173,229		134,299
Other accounts receivable		98,422		39,591
	$	1,076,334	$	1,619,043

4. CAPITAL ASSETS

		Cost		Accumulated Amortization		Net Book Value 2005		Net Book Value 2004
Land	$	317,785	$	-	$	317,785	$	317,785
Buildings		30,157,567		(18,518,214)		11,639,353		12,690,216
Equipment		1,396,716		(585,955)		810,761		1,000,044
Vehicles		665,587		(497,579)		168,008		181,947
	$	32,537,655	$	(19,601,748)	$	12,935,907	$	14,189,992

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		2005		2004
Due to Province	$	325,781	$	296,685
Other trade payables and accrued liabilities		1,593,478		2,034,401
	$	1,919,259	$	2,331,086

6. DEFERRED REVENUE

		2005		2004
Infrastructure maintenance and modernization programs	$	295,165	$	281,493
Alberta Learning funding		78,000		352,633
Alberta initiative for school improvement		53,938		-
Student health initiative trust		34,626		-
Other		29,667		63,959
	$	491,396	$	698,085

7. LONG TERM DEBT

Debenture Debt - Supported

a) The debenture debt bears interest at rates varying between 8% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	2005	2004
Debentures	$ 3,397,162	$ 3,963,093
Less current portion of debt	442,338	565,931
	$ 2,954,824	$ 3,397,162

School Year	Principal	Interest	Total
2005-2006	$ 442,338	$ 325,894	$ 768,232
2006-2007	438,049	282,080	720,129
2007-2008	438,049	238,678	676,727
2008-2009	400,143	195,276	595,419
2009-2010	389,343	156,423	545,766
2011 to maturity	1,289,240	300,822	1,590,062
	$ 3,397,162	$ 1,499,173	$ 4,896,335

b) Capital Lease - Unsupported

The school jurisdiction has entered into a five year capital lease obligation with Xerox for the lease of photocopiers throughout the school jurisdiction. The lease commenced July 1, 2004 and expires June 30, 2009. The annual payments of $256,000 plus GST consists of the following components: annual copier charge of $81,690 (based on 9,725,000 copies at $.0084 per copy) and a blended capital lease payment of $178,364 bearing interest at 8.15%. The blended capital lease payments are due over the next four years as follows:

	2005	2004
Capital lease obligation	$ 584,747	$ 763,111
Less current portion of debt	128,886	178,364
	$ 455,861	$ 584,747

School Year	Principal	Interest	Total
2005-2006	$ 128,886	$ 49,478	$ 178,364
2006-2007	139,792	38,572	178,364
2007-2008	151,620	26,744	178,364
2008-2009	164,449	13,915	178,364
	$ 584,747	$ 128,709	$ 713,456

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

During 2004-05, Alberta Infrastructure authorized the use of previously restricted deferred capital allocations to fund projects at two schools. These projects, by nature, are recorded as repairs. Based on the authorization from Alberta Infrastructure, $303,607 of deferred allocations were transferred to operating revenues to offset the cost of the repair projects. These funds form part of Infrastructure Funding reported in the financial statements.

	2005	2004
Consisting of:		
Opening balance	$ 385,938	$ -
Proceeds - sale of supported asset	-	385,938
Interest earned	8,467	-
Authorized transfer to operations	(303,607)	-
Balance, end of year	$ 90,798	$ 385,938

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations expended, as well as fully supported debenture principal repayments.

	2005	2004
Consisting of:		
Opening balance	$ 8,333,309	$ 8,564,945
Transfer from deferred capital allocations - Note 8	-	-
Supported debenture loan principal repayments	565,931	593,021
Less capital allocation for amortization	(882,503)	(748,906)
Less unamortized capital affected by sale of supported assets	-	(75,751)
	$ 8,016,737	$ 8,333,309

10. OPERATING RESERVES

	Opening	Transfer to operating revenues	Transfer from operating revenues	Closing
Instruction - schools	$ 438,247	$ (83,968)	$ 805,340	$ 1,159,619
Instruction - general	1,000,000	-	-	1,000,000
Transportation	-	-	352,633	352,633
Operating contingency	530,852	-	-	530,852
Severe disabilities	65,523	-	64,003	129,526
Video Conferencing	-	-	180,000	180,000
	$ 2,034,622	$ (83,968)	$ 1,401,976	$ 3,352,630

11. CAPITAL RESERVES

	Opening	Transfer to Reserve	Transfers From Reserves	Closing
Buildings	$ 95,000	$ -	$ -	$ 95,000
Equipment	370,000	-	-	370,000
Other	30,392	-	-	30,392
Balance, end of period	$ 495,392	$ -	$ -	$ 495,392

12. DISCLOSURE OF SALARY AND BENEFITS

	FTE	Salaries & Wages	Benefits & Allowances	Total	Reimbursed Expenses
Dacyk, David	1	$ 20,410	$ 1,514	$ 21,924	$ 11,604
Carstens, Dana	1	13,959	416	14,375	10,996
Franchuk, Valerie	0.2	1,747	471	2,218	402
Genert, Laurie	1	12,156	2,286	14,442	7,725
Gerlach, Joe	1	9,525	2,372	11,897	3,943
Koehler, Edgar	1	8,440	3,155	11,595	4,625
Kowalchuk, Wayne	0.2	821	909	1,730	93
Kowalchuk, Wes	0.8	10,922	466	11,388	5,884
Ponich, Paul	1	13,346	146	13,492	9,598
Sequeira, Rita	1	12,305	2,049	14,354	8,446
Zenko, Ed	0.8	9,680	2,125	11,805	5,788
Superintendent	1	120,816	9,888	130,704	18,355
Secretary/Treasurer	1	82,786	14,963	97,749	5,747
Salaries - Certificated	181.8	13,087,563	1,431,338	14,518,901	
Salaries - Uncertificated	160	$ 5,087,513	1,068,802	6,156,315	
		18,491,989	$ 2,540,900	$ 21,032,889	

13. INDEBTEDNESS

a) Line of credit

The jurisdiction has a line of credit in the amount of $1,000,000 that bears interest at bank prime less 1/4%. This line of credit is secured by a borrowing bylaw and a security agreement. There was no balance outstanding on the line of credit at August 31, 2005.

b) Credit cards

The jurisdiction has approved a combined credit card charge limit of $400,000. The balances are paid in full each month by the due date and no interest charges were incurred during the year. The combined credit card balance outstanding at August 31, 2005 is $230,799.

14. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

15. COMMITMENTS

i) Operating lease

The school jurisdiction is committed to future operating lease payments on office and maintenance shop premises. Certain of these operating leases provide for annual renewal options which are expected to be exercised. Annual building lease costs are currently $69,462.

16. CONTINGENCIES

Contingent Assets

The jurisdiction is a member of a reciprocal insurance exchange called Genesis. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of the equity is subject to liability claims.

Contingent Liabilities

The jurisdiction is a member of the Alberta Local Authorities Reciprocal Insurance Exchange (Genesis). Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

17. SCHOOL GENERATED FUNDS

	2005	2004
Balance, beginning of year	$ 472,770	$ 483,818
Source of school generated funds (SGF)		
SGF for the year	1,524,406	1,587,777
Less: cost of generating SGF	(752,703)	(781,139)
Donations received	878	4,910
Net SGF additions for the year	772,581	811,548
Net SGF available for discretionary spending	1,245,351	1,295,366
SGF expended for discretionary purposes	739,376	822,596
Balance, end of year	$ 505,975	$ 472,770

18. ECONOMIC DEPENDENCE

Aspen View Regional Division No. 19's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

SCHEDULE A to the AFS

School Jurisdiction Cod 2125

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$27,734,150	$21,610,645	$1,071,218	$3,719,907	$1,332,380	
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$744,872	$0	$744,872			
(3) Regular Operations & Maintenance support	$1,499,705		$1,499,705			
(4) Other support	$2,500	$0	$2,500			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$2,247,077	$0	$2,247,077			
(6) **Alberta Finance**	$343,771		$343,771			$0
(7) **Other - Government of Alberta**	$39,290			$0	$0	$39,290
(8) **Federal Government and/or First Nations**	$558,129	$453,564	$75,432	$0	$29,133	$0
(9) **Other Alberta school authorities**	$20,424	$20,424		$0	$0	$0
(10) **Out of province authorities**	$0		$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0		$0	$0	$0	
(12) **Instruction resource fees**	$248,605	$248,605				
(13) **Transportation fees**	$0					
(14) **Other sales and services**	$712,298	$158,034	$537,195	$799	$16,270	$0
(15) **Investment income**	$147,715		$0	$0	$147,715	$0
(16) **Gifts and donations**	$19,599	$19,599		$0		$0
(17) **Rentals of facilities**	$42,750	$0	$42,750	$0	$0	$0
(18) **Net school generated funds**	$739,376	$739,376			$0	
(19) **Gains on disposal of capital assets**	$0	$0		$0	$0	$0
(20) **Amortization of capital allocations**	$882,503	$0	$882,503	$0		$0
(21) **TOTAL REVENUES**	$33,735,687	$23,250,247	$5,199,946	$3,720,706	$1,525,498	$39,290
EXPENSES						
(22) **Certificated salaries**	$13,208,379	$13,007,937			$200,442	$0
(23) **Certificated benefits**	$1,441,226	$1,423,932			$17,294	$0
(24) **Uncertificated salaries and wages**	$5,283,610	$3,281,590	$1,383,021	$107,496	$487,157	$24,346
(25) **Uncertificated benefits**	$1,099,674	$699,829	$279,841	$22,593	$93,125	$4,286
(26) **SUB - TOTAL**	$21,032,889	$18,413,288	$1,662,862	$130,089	$798,018	$28,632
(27) **Services, contracts & supplies**	$9,333,881	$2,699,625	$2,790,414	$3,178,042	$655,142	$10,658
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$739,376	$739,376				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$882,503	$0	$882,503	$0	$0	$0
(31) Unsupported	$396,923	$166,404	$192,457	$2,915	$35,147	$0
(32) Total Amortization	$1,279,426	$166,404	$1,074,960	$2,915	$35,147	$0
Interest on capital debt						
(33) Supported	$343,771	$0	$343,771	$0	$0	$0
(34) Unsupported	$49,477	$43,421	$762	$945	$4,349	$0
(35) Other interest charges	$0	$0	$0	$0	$0	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$32,778,820	$22,062,114	$5,872,769	$3,311,991	$1,492,656	$39,290
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$956,867	$1,188,133	($672,823)	$408,715	$32,842	$0

School Jurisdiction Code: 2125

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$523,702
Base Instruction (Gr 1-12)	$15,733,359
Outreach Programs	$52,020
Home Education	$6,205
Differential Cost Funding *	$9,009,242
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$26,332
Federal French Funding	$44,409
Provincial Priority Targeted Funding	
Class Size Initiative	$449,369
Student Health Initiative (SHI)	$130,242
Alberta Initiative for School Improvement (AISI)	$375,148
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe): O&M1071218;Lic.3087;ppa34282;1xtrans152633;Hutt.20000;pilot42902;vid60000	$1,384,122
Total Alberta Education Revenues	$27,734,150

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 2125

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,157,697	$1,346,287	$321,637		$0	$949,201	$3,774,822
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$366,253	$448,418	$15,758		$0		$830,429
ECS Program Unit (PUF)	$0	$171,855	$42,677		$0		$214,532
Severe Disabilities (Gr 1-12)	$489,821	$1,225,732	$270,456		$0		$1,986,009
English as a Second Language	$0	$35,890	$586		$0		$36,476
French Language Program & Francisation (all jurisdictions)	$418,669	$37,382	$6,385		$0		$462,436
First Nations, Metis and Inuit Education (ECS - Gr 12)		$63,403	$35,612		$0		$99,015
Home Education	$0	$0	$97		$0		$97
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$355,806	$0	$20,942	$0	$0		$376,748
Student Health Initiative	$0	$112,271	$17,971		$0		$130,242
High Speed Networking			$0		$0		$0
Class Size	$484,200	$0	$0	$0	$0		$484,200
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$11,159,423	$540,181	$1,404,311	$563,193	$0	$0	$13,667,108
TOTAL EXPENSES	$14,431,869	$3,981,419	$2,136,432	$563,193	$0	$949,201	$22,062,114

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	7.6	18.0
ECS Program Unit (PUF)	0.0	7.4
Severe Disabilities (Gr 1-12)	8.2	35.4

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 2125

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$32,778,820

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	5.42%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,776,612
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$1,776,612

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,492,656
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,492,656
MAXIMUM EXPENSE LIMIT	$1,776,612
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$283,956

School Jurisdiction Code: 2125

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$472,770
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,130,433	$410,679	$719,754	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools	$878		$878	
Other (describe) cafeteria	$393,973	$342,024	$51,949	
Net Additions to SGF	$1,525,284	$752,703		$772,581
Net SGF Available for Discretionary Spending				$1,245,351
Application of Net School Generated Funds:				
Extra-curricular activities			$143,150	
School beautification			$5,748	
Field Trips			$227,039	
Equipment			$10,027	
Family literacy and other community resources			$14,532	
Other (describe)			$338,880	
Net SGF Expended for Discretionary Purposes (Note 3)				$739,376
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$505,975

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 2125

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$682,351	$482,739	$0	$0	$217,931	$1,383,021		$1,383,021
Uncertificated benefits	$145,662	$92,829	$0	$0	$41,350	$279,841		$279,841
Sub-total Remuneration	$828,013	$575,568	$0	$0	$259,281	$1,662,862		$1,662,862
Contracted Services	$119,941	$83,458	$0	$748,580	$442,371	$1,394,350		$1,394,350
Supplies	$76,577	$100,195	$0	$5,194	$53,001	$234,967		$234,967
Electricity			$529,242			$529,242		$529,242
Natural Gas/Heating Fuel			$407,550			$407,550		$407,550
Sewer and Water			$60,781			$60,781		$60,781
Telecommunications			$15,013			$15,013		$15,013
Insurance					$148,511	$148,511		$148,511
Amortization of capital assets								
Supported							$882,503	$882,503
Unsupported						$192,457		$192,457
Total Amortization						$192,457	$882,503	$1,074,960
Interest on capital debt								
Supported							$343,771	$343,771
Unsupported				$0		$762		$762
Other interest charges						$0		$0
Losses on disposal of capital assets								$0
Cost recoveries & transfers								$0
TOTAL EXPENSES	$1,024,531	$759,221	$1,012,586	$753,774	$903,164	$4,646,495	$1,226,274	$5,872,769
SQUARE METRES								
School Buildings								54,190.3
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	25.6	13.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2125

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	David Dacyk	1.0	$20,410	$1,514	$0			$21,924	$11,604
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Dana Carstens	1.0	$13,959	$416	$0			$14,375	$10,996
Name	Valerie Franchuk	0.2	$1,747	$471	$0			$2,218	$402
Name	Laune Genert	1.0	$12,156	$2,286	$0			$14,442	$7,725
Name	Joe Gerlach	1.0	$9,525	$2,372	$0			$11,897	$3,943
Name	Edgar Koehler	1.0	$8,440	$3,155	$0			$11,595	$4,625
Name	Wayne Kowalchuk	0.2	$821	$909	$0			$1,730	$93
Name	Wes Kowalchuk	0.8	$10,922	$466	$0			$11,388	$5,884
Name	Paul Ponich	1.0	$13,346	$146	$0			$13,492	$9,598
Name	Rita Sequeira	1.0	$12,305	$2,049	$0			$14,354	$8,446
Name	Ed Zenko	0.8	$9,680	$2,125	$0			$11,805	$5,788
Name		1.0			$0			$0	
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*10.0*	*$113,311*	*$15,909*	*$0*			*$129,220*	*$69,104*
Superintendent	Rudi Grab PhD	1.0	$120,816	$9,888	$0	$0	$0	$130,704	$18,355
Superintendent		0.0			$0	$0	$0	$0	$0
Secretary/Treasurer	Dave Holler	1.0	$82,786	$14,963	$0	$0	$0	$97,749	$5,747
Secretary/Treasurer		0.0			$0	$0	$0	$0	$0
Board Secretary		1.0			$0	$0	$0	$0	
Board Secretary		0.0			$0	$0	$0	$0	$0
Board Treasurer		1.0			$0	$0	$0	$0	
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		181.8	$13,087,563	$1,431,338	$0	$0	$0	$14,518,901	
Uncertificated Salaries & Wages		160.0	$5,087,513	$1,068,802	$0	$0	$0	$6,156,315	
TOTALS			**$18,491,989**	**$2,540,900**	**$0**	**$0**	**$0**	**$21,032,889**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 6020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Aurora School Ltd.
Legal Name of School Jurisdiction

8755-170 street Edmonton AB T5R 5Y6
Mailing Address

Phone: (780) 930-5502 Fax: (780) 930-5598
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Aurora School Ltd
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Debra King — "ORIGINAL SIGNED"
Name — **Signature**

SUPERINTENDENT

Ross Johnston — "ORIGINAL SIGNED"
Name — **Signature**

SECRETARY TREASURER OR TREASURER

Holly Maccagno — "ORIGINAL SIGNED"
Name — **Signature**

20-Oct-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Auditors' Report

To the Members of Aurora School Ltd.:

We have audited the statement of financial position of Aurora School Ltd. as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School as at August 31, 2005 and the results of its operations and its cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Edmonton, Alberta

September 26, 2005

Meyers Norris Penny LLP

Chartered Accountants

MNP

School Jurisdiction Code: 6020

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004 restated
ASSETS			
Current assets			
Cash and temporary investments		$3,626,894	$3,089,687
Accounts receivable (net after allowances)		$82,356	$79,512
Prepaid expenses		$0	$5,200
Other current assets		$0	$0
Total current assets		$3,709,250	$3,174,399
School generated assets		$0	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$672,540		
Less: accumulated amortization	($477,509)	$195,031	$90,973
Equipment	$191,370		
Less: accumulated amortization	($176,946)	$14,424	$28,744
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$209,455	$119,717
TOTAL ASSETS		$3,918,705	$3,294,116
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$257,852	$427,727
Deferred revenue		$749,945	$542,697
Deferred capital allocations		$0	$0
Current portion of all long term debt		$23,194	$0
Total current liabilities		$1,030,991	$970,424
School generated liabilities		$0	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$0	$0
	Less: Current portion of supported debt	$0	$0
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$105,196	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($23,194)	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$82,002	$0
TOTAL LIABILITIES		$1,112,993	$970,424
NET ASSETS			
Unrestricted net assets		$2,310,809	$1,813,329
Operating Reserves		$390,646	$390,646
Accumulated Operating Surplus (Deficit)		$2,701,455	$2,203,975
Investment in capital assets		$104,257	$119,717
Capital Reserves		$0	$0
Total Capital Funds		$104,257	$119,717
Total net assets		$2,805,712	$2,323,692
TOTAL LIABILITIES AND NET ASSETS		$3,918,705	$3,294,116

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6020

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004 restated
REVENUES			
Government of Alberta	$2,790,705	$2,972,230	$2,388,385
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$36,615	$30,000	$34,542
Transportation fees	$0	$0	$41,286
Other sales and services	$7,434	$0	$3,983
Investment income	$70,334	$18,000	$58,580
Gifts and donations	$0	$0	$0
Rentals of facilities	$2,425	$0	$0
Net school generated funds	$26,027	$18,000	$35,268
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$2,933,540	$3,038,230	$2,562,044
EXPENSES			
Certificated salaries	$1,365,584	$1,500,000	$1,415,973
Certificated benefits	$170,669	$180,000	$147,339
Uncertificated salaries and wages	$158,110	$105,000	$151,908
Uncertificated benefits	$23,164	$12,600	$21,832
Services, contracts and supplies	$658,366	$709,460	$646,412
Net school generated funds	$26,027	$18,000	$35,268
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$41,425	$23,000	$28,089
Total Amortization of capital assets	$41,425	$23,000	$28,089
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$5,984	$0	$0
Total Interest on capital debt	$5,984	$0	$0
Other interest charges	$2,191	$2,400	$954
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$2,451,520	$2,550,460	$2,447,775
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$482,020	$487,770	$114,269
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$482,020	$487,770	$114,269

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6020

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004 restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$482,020	$114,269
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$41,425	$28,089
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($2,844)	$10,869
Prepaids and other current assets	$5,200	($800)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($169,875)	$176,851
Deferred revenue	$207,248	$255,007
Employee future benefit expense (recovery)	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Operations	$563,174	$584,285
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($131,163)	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($131,163)	$0
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$105,196	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$105,196	$0
Net sources (uses) of cash during year	$537,207	$584,285
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$3,089,687	$2,505,402
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$3,626,894	$3,089,687

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 6020

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$2,841,804	$119,717	$314,007	$2,408,080	$250,000	$0	$140,646	$2,017,434	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
Move from Capital Res to UNA	$0	$0	$1,544,524	($1,544,524)	$0	$0	$0	($1,544,524)	$0	$0	$0	$0	$0	$0
Move to Deferred Revenue	($472,910)	$0	$0	($472,910)	$0	$0	$0	($472,910)	$0	$0	$0	$0	$0	$0
AB Infr grant not earned/received	($45,202)	$0	($45,202)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$2,323,692	$119,717	$1,813,329	$390,646	$250,000	$0	$140,646	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	$482,020		$482,020											
Board funded capital transactions		$25,965	($25,965)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0													
Amortization of capital assets		($41,425)	$41,425											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$2,805,712	$104,257	$2,310,809	$390,646	$250,000	$0	$140,646	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 6020

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

1. Incorporation and operations

Aurora School Ltd. ("the School") is a non-profit charter school incorporated under the Companies Act of Alberta. The School is governed by the School Act and the related Chartered Schools regulations. The School has been operating as a chartered school by Alberta Education for five years beginning September 2001.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Included in this balance is $749,945 (2004 - $542,697) subject to restrictions that prevent its use for current purposes.

Short-term investments

Short term investments are valued at the lower of cost and market value. Market value at August 31, 2005 was $2,883,229 (2004 - nil).

Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Portable classroom buildings	straight-line	10 %
Computer equipment	straight-line	33 %
Computer software	straight-line	50 %
Furniture and fixtures	straight-line	5 %
Improvements to building and grounds	straight-line	10 %

Improvements to building and grounds are amortized over the remaining term of the lease.

Revenue recognition

Aurora School Ltd. follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed services

Volunteers contribute many hours to assist the school in performing its function. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Income taxes

Aurora School Ltd. is a registered charity and is exempt from income taxes under subsection 149.1(1) of the Income Tax Act.

Pensions

The School's employment contracts have no provision for employer contributions to a pension plan. The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta.

2. **Significant accounting policies** *(continued from previous page)*

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

3. **Correction of error**

Funding from Alberta Infrastructure for operations and maintenance was recorded as revenue in the period of contribution made or receivable. This amount should have been recorded as deferred contributions, which are recognized as revenue as the related expenditures are incurred. Prior period comparative figures presented have been restated to reflect the correction of this error. The net effect of this correction results in an increase in deferred contributions of $472,910, a decrease in accounts receivable of $28,361, and an increase in accounts payable of $16,841 as at August 31, 2004. 2004 revenues have decreased by $305,682 and opening net assets in 2004 have decreased by $212,430.

4. **Property and equipment**

	Cost	*Accumulated amortization*	*2005 Net book value*	*2004 Net book Value*
Portable classroom buildings	**255,961**	**(71,247)**	**184,714**	90,974
Computer equipment	**109,016**	**(109,016)**	-	-
Computer software	**10,756**	**(10,756)**	-	-
Furniture and fixtures	**71,598**	**(57,174)**	**14,424**	28,743
Improvements to building and grounds	**416,579**	**(406,263)**	**10,316**	-
	863,910	**(654,456)**	**209,454**	119,717

During the year, property and equipment were acquired at an aggregate cost of $131,161, of which $123,617 were acquired by means of capital leases and $7,544 were acquired in cash.

Portable classroom buildings include assets under capital lease with a gross cost of $123,617 (2004 - nil), and accumulated amortization of $12,362 (2004 - nil).

5. Deferred contributions

	2005	*2004*
Contributions for operations – Alberta Infrastructure	687,324	472,910
Donner Canadian Foundation	41,337	48,503
Sundry donors for playground development	21,284	21,284
	749,945	542,697

The deferred contributions represent resources which are restricted by the contributors as to their use. As a result of these restrictions, cash in the amounts of $749,945 (2004 - $542.697) is restricted.

The School has received funds from Alberta Infrastructure in excess of amounts spent. These funds are to be spent on plant operations and maintenance.

The School has spent $7.166 (2004 - $5.473) of the Donner Canadian Foundation contribution during the year. The remaining funds are to be spent on the biological science program.

In prior years, the School has received various donations for playground development. None of these funds have been expended.

6. Capital lease obligation

	2005	*2004*
Obligation under capital lease payable in equal monthly installments of $2,347 plus interest at prime plus 1%, due October 2009	**105,196**	-
Less: current portion	**23,194**	-
	82,002	-

Minimum lease payments related to obligation under capital lease are as follows:

2006	28,164
2007	28,164
2008	28,164
2009	28,164
2010	4,694
	117,350
Less: imputed interest	(12,154)
Less: current portion	(23,194)
	82,002

7. Internal restrictions on net assets

As the School is not permitted to borrow funds, the Board has appropriated surpluses to provide for the following future commitments and or contractual obligations:

a)	Relocation costs	$ 150,000

This internal restriction of net assets will provide for future relocation costs as the School is reviewing options to relocate to a new facility.

b)	Curriculum development	$ 100,000

This internal restriction of net assets will provide for any costs associated with the School developing a high school program.

c)	Building and grounds maintenance	$ 140,646

This internal restriction of net assets will provide for upgrades and improvements to the school as required under the occupancy agreement (Note 10).

8. Fundraising

	2005	*2004*
Revenues	49,941	44,359
Expenses	(31,169)	(22,600)
	18,772	21,759

9. Conservatory and Mandarin classes

	2005	*2004*
Revenues	7,434	3,983
Expenses	(7,434)	(3,983)
	-	-

10. Commitments

Aurora School Ltd. is committed under the terms of a premises commitment expiring in August 2006 to annual rent plus operating costs estimated to be $240,000 for the 2006 school year.

11. Financial instruments

The School's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, bonuses payable and capital lease obligations. It is management's opinion that the School is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Fair value disclosure

The carrying amount of cash, accounts receivable, accounts payable and accrued liabilities, bonuses payable and capital lease obligations approximates their fair value due to the short-term maturities of these items.

12. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

School Jurisdiction Cod 6020

SCHEDULE A to the AFS

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$2,486,052	$2,265,221	$3,196	$161,535	$56,100	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3)	Regular Operations & Maintenance support	$304,653		$304,653			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$304,653	$0	$304,653			
(6)	**Alberta Finance**	$0		$0			$0
(7)	**Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$36,615	$36,615				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$7,434	$0	$0	$0	$0	$7,434
(15)	**Investment income**	$70,334	$70,334	$0	$0	$0	$0
(16)	**Gifts and donations**	$0	$0	$0	$0		$0
(17)	**Rentals of facilities**	$2,425	$2,425	$0	$0	$0	$0
(18)	**Net school generated funds**	$26,027	$26,027			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$0	$0	$0	$0		$0
(21)	**TOTAL REVENUES**	$2,933,540	$2,400,622	$307,849	$161,535	$56,100	$7,434
	EXPENSES						
(22)	**Certificated salaries**	$1,365,584	$1,365,584			$0	$0
(23)	**Certificated benefits**	$170,669	$170,669			$0	$0
(24)	**Uncertificated salaries and wages**	$158,110	$107,110	$0	$0	$51,000	$0
(25)	**Uncertificated benefits**	$23,164	$23,164	$0	$0	$0	$0
(26)	**SUB - TOTAL**	$1,717,527	$1,666,527	$0	$0	$51,000	$0
(27)	**Services, contracts & supplies**	$658,366	$274,891	$258,249	$95,417	$22,375	$7,434
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$26,027	$26,027				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$0	$0	$0	$0	$0	$0
(31)	Unsupported	$41,425	$0	$41,425	$0	$0	$0
(32)	Total Amortization	$41,425	$0	$41,425	$0	$0	$0
	Interest on capital debt						
(33)	Supported	$0	$0	$0	$0	$0	$0
(34)	Unsupported	$5,984	$0	$5,984	$0	$0	$0
(35)	Other interest charges	$2,191	$0	$2,191	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$2,451,520	$1,967,445	$307,849	$95,417	$73,375	$7,434
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$482,020	$433,177	$0	$66,118	($17,275)	$0

School Jurisdiction Code: 6020

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$96,798
Base Instruction (Gr 1-12)	$1,970,311
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$306,738
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$0
Federal French Funding	$1,052
Provincial Priority Targeted Funding	
Class Size Initiative	$79,957
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$18,000
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Textbooks-Classroom Resources	$13,196
Total Alberta Education Revenues	$2,486,052

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 6020

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$120,776	$130,274	$65,569		$0	$0	$316,619
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$0	$0		$0		$0
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$250		$0		$250
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$0	$0	$18,000	$0	$0		$18,000
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$38,840	$0	$18,685	$0	$0		$57,525
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$1,376,637	$0	$198,414	$0	$0	$0	$1,575,051
TOTAL EXPENSES	$1,536,253	$130,274	$300,918	$0	$0	$0	$1,967,445

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 6020

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		$2,451,520
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses		
If "Total Net Enrolled Students" are 6,000 and over = 4%		6.00%
If "Total Net Enrolled Students" are 2,000 and less = 6%		

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expenses		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$147,091
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$56,100	$147,091
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$147,091
STEP 3		
Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)		
Actual Board Governance & System Administration expenses		$73,375
PLUS: transfers to Restricted - Operating (Board/System Administration)		$0
LESS: transfers from Restricted - Operating (Board/System Administration)		$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES		$73,375
MAXIMUM EXPENSE LIMIT		$147,091
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT		-$73,716

School Jurisdiction Code: 6020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$0
Source of Net School Generated Funds:				
Fundraising activities	$49,941	$31,169	$18,772	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools	$7,255		$7,255	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$57,196	$31,169		$26,027
Net SGF Available for Discretionary Spending				$26,027
Application of Net School Generated Funds:				
Extra-curricular activities			$20,643	
School beautification			$0	
Field Trips			$0	
Equipment			$3,079	
Family literacy and other community resources			$0	
Other (describe): donations			$2,305	
Net SGF Expended for Discretionary Purposes (Note 3)				$26,027
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 6020

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$0	$0	$253,595	$0	$0	$253,595		$253,595
Supplies	$0	$0	$0	$0	$0	$0		$0
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$3,184			$3,184		$3,184
Insurance					$1,470	$1,470		$1,470
Amortization of capital assets								
Supported							$0	$0
Unsupported						$41,425		$41,425
Total Amortization						$41,425	$0	$41,425
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$5,984		$5,984
Other interest charges						$2,191		$2,191
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$0	$0	$256,779	$0	$1,470	$307,849	$0	$307,849
SQUARE METRES								
School Buildings								4,003.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6020

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Debra King	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Klaus Zerulla	1.0	$0	$0	$0			$0	$0
Name	Tim Werbiski	1.0	$0	$0	$0			$0	$0
Name	Nazir Mulji	1.0	$0	$0	$0			$0	$0
Name	Ron Hiebert	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*5.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent	Ross Johnston	1.0	$51,000	$0	$0	$0	$0	$51,000	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Holly Maccagno	0.2	$12,226	$0	$0	$0	$0	$12,226	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		22.6	$1,365,584	$170,669	$0	$0	$0	$1,536,253	
Uncertificated Salaries & Wages		3.5	$107,110	$23,164	$0	$0	$0	$130,274	
TOTALS			**$1,535,920**	**$193,833**	**$0**	**$0**	**$0**	**$1,729,753**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 2285

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Battle River Regional Division #31

Legal Name of School Jurisdiction

5402 48A Ave., Camrose AB T4V 0L3

Mailing Address

(780) 672-6131, (780) 672-6137

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Battle River Regional Division #31
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Brenda Herder	**"ORIGINAL SIGNED"**
Name	Signature

SUPERINTENDENT

Dr. Warren Phillips	**"ORIGINAL SIGNED"**
Name	Signature

SECRETARY TREASURER OR TREASURER

William Schulte	**"ORIGINAL SIGNED"**
Name	Signature

8-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

HARBERG NIKIFORUK WOOD LLP
Chartered Accountants

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Camrose, AB
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* Brian W. Harberg, CA
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AUDITORS' REPORT

To the Board of Trustees
Battle River Regional Division No. 31

We have audited the statement of financial position of the Battle River Regional Division No. 31 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Harberg Nikiforuk Wood, LLP

Chartered Accountants

Camrose, Alberta
November 18, 2005

School Jurisdiction Code: 2285

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004 (Restated)
ASSETS			
Current assets			
Cash and temporary investments		$9,527,231	$8,822,593
Accounts receivable (net after allowances)		$2,334,292	$2,120,440
Prepaid expenses		$542,146	$772,546
Other current assets		$521,144	$600,903
Total current assets		$12,924,813	$12,316,482
School generated assets		$819,927	$741,601
Trust assets		$198,356	$199,519
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,151,724	$1,151,724
Buildings	$70,849,429		
Less: accumulated amortization	($35,312,047)	$35,537,382	$37,296,766
Equipment	$5,102,405		
Less: accumulated amortization	($3,430,198)	$1,672,207	$2,119,188
Vehicles	$9,226,802		
Less: accumulated amortization	($5,009,240)	$4,217,562	$4,751,074
Total capital assets		$42,578,875	$45,318,752
TOTAL ASSETS		$56,521,971	$58,576,354
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,199,670	$4,062,043
Deferred revenue		$971,323	$442,718
Deferred capital allocations		$41,146	$41,080
Current portion of all long term debt		$1,149,983	$1,164,663
Total current liabilities		$5,362,122	$5,710,504
School generated liabilities		$819,927	$741,601
Trust liabilities		$198,356	$199,519
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$8,915,683	$10,080,346
Less: Current portion of supported debt		($1,149,983)	($1,164,663)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$14,880,555	$14,690,322
Total long term liabilities		$23,664,538	$24,547,125
TOTAL LIABILITIES		$29,026,660	$30,257,629
NET ASSETS			
Unrestricted net assets		$1,290,166	$1,290,166
Operating Reserves		$7,264,066	$6,273,986
Accumulated Operating Surplus (Deficit)		$8,554,232	$7,564,152
Investment in capital assets		$18,782,637	$20,548,083
Capital Reserves		$158,442	$206,490
Total Capital Funds		$18,941,079	$20,754,573
Total net assets		$27,495,311	$28,318,725
TOTAL LIABILITIES AND NET ASSETS		$56,521,971	$58,576,354

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2285

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004 (Restated)
REVENUES			
Government of Alberta	$59,546,821	$57,882,195	$58,768,163
Federal Government and/or First Nations	($1,773)	$0	$0
Other Alberta school authorities	$11,113	$0	$793
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$50,790	$0	$0
Instruction resource fees	$576,406	$542,134	$541,736
Transportation fees	$18,296	$13,000	$21,250
Other sales and services	$662,103	$391,850	$760,772
Investment income	$237,225	$150,000	$257,643
Gifts and donations	$57,633	$0	$22,697
Rentals of facilities	$30,179	$12,000	$647
Net school generated funds	$1,003,820	$1,075,604	$1,182,281
Gains on disposal of capital assets	$32,957	$0	$206,490
Amortization of capital allocations	$1,526,875	$1,350,495	$1,351,050
Total Revenues	$63,752,445	$61,417,278	$63,113,522
EXPENSES			
Certificated salaries	$31,529,129	$30,809,177	$30,532,020
Certificated benefits	$3,085,574	$2,873,449	$3,050,357
Uncertificated salaries and wages	$10,675,584	$10,321,835	$10,289,046
Uncertificated benefits	$1,852,168	$2,232,753	$1,701,040
Services, contracts and supplies	$11,836,432	$11,856,210	$11,463,081
Net school generated funds	$1,003,820	$1,075,604	$1,182,281
Capital and debt services			
Amortization of capital assets			
Supported	$1,526,875	$1,350,495	$1,351,050
Unsupported	$2,103,138	$1,951,930	$1,901,442
Total Amortization of capital assets	$3,630,013	$3,302,425	$3,252,492
Interest on capital debt			
Supported	$953,181	$1,018,540	$937,528
Unsupported	$0	$0	$0
Total Interest on capital debt	$953,181	$1,018,540	$937,528
Other interest charges	$140	$0	$148
Losses on disposal of capital assets	$9,818	$0	$0
Total Expenses	$64,575,859	$63,489,993	$62,407,993
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($823,414)	($2,072,715)	$705,529
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($823,414)	($2,072,715)	$705,529

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2285

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($823,414)	$705,529
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,526,875)	($1,351,050)
Total amortization expense	$3,630,013	$3,252,492
Gains on disposal of capital assets	($32,957)	($206,490)
Losses on sale of capital assets	$9,818	$0
Changes in accrued accounts:		
Accounts receivable	($213,852)	($222,660)
Prepaids and other current assets	$310,159	($272,836)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($862,373)	$1,269,794
Deferred revenue	$528,605	($1,733,721)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$1,019,124	$1,441,058
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($367,936)	($1,332,420)
Equipment	($332,010)	($914,873)
Vehicles	($221,592)	($1,802,141)
Net proceeds from disposal of capital assets	$54,541	$206,489
Other (describe)	$0	$22,903
Total sources (uses) of cash from Investing activities	($866,997)	($3,820,042)
C. FINANCING ACTIVITIES		
Capital allocations	$552,511	$558,547
Issue of long term debt	$0	$0
Repayment of long term debt	($1,164,663)	($1,304,155)
Add back: supported portion	$1,164,663	$1,304,155
Other (describe)	$0	($22,903)
Total sources (uses) of cash from Financing activities	$552,511	$535,644
Net sources (uses) of cash during year	$704,638	($1,843,340)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$8,822,593	$10,665,933
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$9,527,231	$8,822,593

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations

School Jurisdiction 2285

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$28,461,993	$20,548,083	$1,433,434	$6,480,476	$4,208,333	$38,783	$426,941	$12,493	$655,403	$0	$983,309	$155,214	$0	$0
Prior period adjustments (describe)														
Vacation Pay Adjustment	($143,268)	$0	($143,268)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$28,318,725	$20,548,083	$1,290,166	$6,480,476	$4,208,333	$38,783	$426,941	$12,493	$655,403	$0	$983,309	$155,214	$0	$0
Surplus(def) of revenue over expense	($823,414)		($823,414)											
Board funded capital transactions		$369,094	($94,414)	($274,680)	($101,062)	($38,783)	($50,870)	($12,493)	($20,159)	$0	$0	($51,313)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($3,630,013)	$3,630,013											
Amortization of capital allocations		$1,526,875	($1,526,875)											
Disposal of unsupported capital asset	$0	($31,402)	($23,139)	$54,541		$4,212		$2,058		$1,500		$46,771		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($1,162,171)	$1,162,171	$515,049		$45,032		$205,029		$397,061		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$27,495,311	$18,782,637	$1,290,166	$7,422,508	$4,622,320	$4,212	$421,103	$2,058	$840,273	$1,500	$1,380,370	$150,672	$0	$0

School Jurisdiction Code: 2285

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$41,080	$14,690,322
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$41,080	$14,690,322
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$185,796	
Other Government of Alberta	$155,850	
Federal Government and/or First Nations	$0	
Other sources	$5,000	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$205,865	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,164,663
Expended capital allocations - current year	($552,445)	$552,445
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,526,875
Balance at August 31, 2005	$41,146	$14,880,555

BATTLE RIVER REGIONAL DIVISION NO. 31

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2005

1. Authority and Purpose:

   Battle River Regional Division No. 31 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

   The School Jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. Summary of Significant Accounting Policies:

   These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

   a) Revenue Recognition

   Revenue is recognized as follows:

   Instruction and support allocations are recognized in the year to which they relate.

   Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

   Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

   Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

   b) Property, Plant And Equipment

   Property, plant and equipment costing greater than $5,000 are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	10 to 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years

   In the year of acquisition, no amortization is recorded. In year of disposal, a full year of amortization is calculated. Property, plant and equipment allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

2. Summary Of Significant Accounting Policies (continued):

c) Prepaid Expense

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses and annual service contracts fall into this category.

d) Inventories

Inventories are recorded at the lower of cost or net realizable value.

e) School Generated Funds

These are funds which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.)

f) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

g) Contributed Services

Volunteers assist schools operated by the Jurisdiction in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is not otherwise purchased, contributed services are not recognized in the financial statements.

h) Pension Obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Battle River Regional Division No. 31 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions for the year ended August 31, 2005. At at December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

BATTLE RIVER REGIONAL DIVISION NO. 31

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED AUGUST 31, 2005

2. Summary Of Significant Accounting Policies (continued):

i) Employee Future Benefits

The Jurisdiction accrues its obligations under employee future benefits plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

j) Financial Instruments

The Jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the Jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair market value of the financial instruments approximate their carrying value. The Jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

3. Accounts Receivable:

	2005	2004
Alberta Education	$ 409,517	$ 215,238
Alberta Infrastructure and Transportation	1,079,584	997,850
Alberta Finance	513,869	579,228
Other Province of Alberta	20,800	18,569
Federal Government	102,186	102,996
Alberta Municipalities	3,468	2,703
Other Alberta School Jurisdictions	-	4
Other	204,868	203,852
	$ 2,334,292	$ 2,120,440

4. Bank Indebtedness:

The Jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the Jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

5. Accounts Payable And Accruals:

	2005	2004
Alberta Education	$ 195,824	$ 224,803
Alberta Finance	513,869	579,229
Other Province of Alberta	41,486	43,170
Federal Government	643,607	640,242
Alberta Municipalities	4,072	23,627
Other Alberta School Jurisdictions	-	7,215
Other Trade Payable and Accrued Liabilities	1,800,812	2,543,757
	$ 3,199,670	$ 4,062,043

BATTLE RIVER REGIONAL DIVISION NO. 31

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED AUGUST 31, 2005

6. Deferred Revenue:

	2005	2004
Infrastructure Maintenance Program	$ 662,672	$ 185,985
Special modernization funds	-	119,769
Alberta Initiative for School Improvement	52,983	110,023
Fees and other	27,668	26,941
Alberta Education - video conferencing	60,000	-
Alberta Education - textbooks	168,000	-
	$ 971,323	$ 442,718

7. Trust Liabilities:

	2005	2004
Trust funds for scholarships	$ 187,805	$ 180,873
Damage deposits	481	470
Student travel	185	199
Early childhood services	9,885	17,977
	$ 198,356	$ 199,519

8. Long-Term Debt:

	2005	2004
a) Alberta Municipal Finance Corporation debentures have interest rates which range between 7.375% to 12%; various maturity dates up to 2020; fully supported by grants from Alberta Finance.	$ 8,915,683	$ 10,080,346
Less: Current portion of long-term debt	1,149,983	1,164,663
	$ 7,765,700	$ 8,915,683

Principal payments due within the next five years are as follows:

2006	$ 1,149,983
2007	$ 998,221
2008	$ 998,221
2009	$ 840,937
2010	$ 794,071

b) As the debentures are fully supported by grants, the amount of working capital (current assets minus current liabilities) available is understated by $1,149,983 as at August 31, 2005 (2004 - $1,164,663).

9. Reserves:

Reserves created by authorization of the Board of Trustees represent funds allocated for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with the terms and conditions established by the Board.

	Balance Beginning	Appropriated	Utilized	Balance Ending
Operating				
School	$ 1,288,420	$ 733,106	$ 47,264	$ 1,974,262
School mini-budgets	1,367,149	-	483,683	883,466
Special education	825,964	201,669	53,671	973,962
Computer services	84,355	54,159	32,312	106,202
Classroom Learning Conditions	642,444	582,529	540,545	684,428
Operations and maintenance	426,942	139,446	145,285	421,103
System administration	655,403	205,029	20,159	840,273
Transportation	983,309	397,061	-	1,380,370
	6,273,986	2,312,999	1,322,919	7,264,066
Capital				
Equipment	206,490	54,541	102,589	158,442
	206,490	54,541	102,589	158,442
	$ 6,480,476	$ 2,367,540	$ 1,425,508	$ 7,422,508

10. Deferred Capital Allocations:

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

11. Unamortized Capital Allocations:

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related property, plant and equipment. The unamortized capital allocations account balances is increased by transfers of deferred capital allocation expended, as well as fully-supported debenture principal repayments.

12. Budget Amounts:

The budget was prepared by the Jurisdiction's management with the Board of Trustees approval given on June 10, 2004. It is presented for information purposes only and has not been audited.

13. Contingent Liabilities:

The Jurisdiction was a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of membership, the Jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

14. Economic Dependence On Related Third Party:

The Battle River Regional Division No. 31's primary source of income is from the Alberta Government. The Jurisdiction's ability to continue viable operations is dependent on this funding.

15. Comparative Figures:

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

16. Adjustment to Prior Period:

Certain of the prior year figures have been restated to reflect a correction to the accrued vacation pay liability. As at September 1, 2003 accrued liabilities were increased and unrestricted net assets were decreased by $143,268. There was no impact on the surplus of revenue over expenses for the years ended August 31, 2004 or 2005.

School Jurisdiction Cod 2285

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$54,993,939	$46,019,113	$2,108,167	$4,665,452	$2,201,207	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$433,922	$0	$433,922			
(3)	Regular Operations & Maintenance support	$2,951,433		$2,951,433			
(4)	Other support	$80,856	$0	$80,856			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$3,466,211	$0	$3,466,211			
(6)	**Alberta Finance**	$953,181		$953,181			$0
(7)	**Other - Government of Alberta**	$133,490	$84,700	$8,790	$0	$40,000	$0
(8)	**Federal Government and/or First Nations**	($1,773)	$0	($1,773)	$0	$0	$0
(9)	**Other Alberta school authorities**	$11,113	$11,113	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$50,790	$50,790	$0	$0	$0	$0
(12)	**Instruction resource fees**	$576,406	$576,406				
(13)	**Transportation fees**	$18,296			$18,296		
(14)	**Other sales and services**	$667,103	$309,499	$149,469	$200,315	$2,820	$0
(15)	**Investment income**	$237,225	$227,736	$0	$0	$9,489	$0
(16)	**Gifts and donations**	$57,633	$48,952	$8,681	$0		$0
(17)	**Rentals of facilities**	$30,179	$0	$30,179	$0	$0	$0
(18)	**Net school generated funds**	$1,003,820	$1,003,820			$0	
(19)	**Gains on disposal of capital assets**	$32,957	$4,212	$2,058	$26,687	$0	$0
(20)	**Amortization of capital allocations**	$1,526,875	$30,443	$1,491,135	$5,297		$0
(21)	**TOTAL REVENUES**	$63,752,445	$48,366,784	$8,216,098	$4,916,047	$2,253,516	$0
	EXPENSES						
(22)	**Certificated salaries**	$31,529,129	$31,163,503			$365,626	$0
(23)	**Certificated benefits**	$3,085,574	$3,057,900			$27,674	$0
(24)	**Uncertificated salaries and wages**	$10,675,584	$6,546,067	$1,033,079	$2,174,594	$921,844	$0
(25)	**Uncertificated benefits**	$1,852,168	$1,184,492	$229,649	$229,359	$208,668	$0
(26)	**SUB - TOTAL**	$47,142,455	$41,951,962	$1,262,728	$2,403,953	$1,523,812	$0
(27)	**Services, contracts & supplies**	$11,836,432	$4,807,731	$4,367,550	$2,083,049	$578,102	$0
(28)	**Cost recoveries & charges to programs**	$0	$53,567	$0	$0	($53,567)	$0
(29)	**Net school generated funds**	$1,003,820	$1,003,820				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,526,875	$30,443	$1,491,135	$5,297	$0	$0
(31)	Unsupported	$2,103,138	$487,776	$788,816	$704,149	$122,397	$0
(32)	Total Amortization	$3,630,013	$518,219	$2,279,951	$709,446	$122,397	$0
	Interest on capital debt						
(33)	Supported	$953,181	$0	$953,181	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$140	$0	$0	$0	$140	$0
(36)	Losses on disposal of capital assets	$9,818	$0	$0	$0	$9,818	$0
(37)	**TOTAL EXPENSES**	$64,575,859	$48,335,299	$8,863,410	$5,196,448	$2,180,702	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($823,414)	$31,485	($647,312)	($280,401)	$72,814	$0

School Jurisdiction Code: 2285

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$910,894
Base Instruction (Gr 1-12)	$33,746,863
Outreach Programs	$156,060
Home Education	$18,309
Differential Cost Funding *	$15,269,865
Other Provincial Support	
Institutional Programs	$65,840
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$74,779
Federal French Funding	$59,952
Provincial Priority Targeted Funding	
Class Size Initiative	$968,552
Student Health Initiative (SHI)	$472,306
Alberta Initiative for School Improvement (AISI)	$953,158
High Speed Networking	$75,388
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) See Note	$2,221,973
Total Alberta Education Revenues	$54,993,939

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 2285

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,767,867	$2,495,672	$1,779,372		($21,008)	$1,522,039	$8,543,942
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,116,309	$32,703	$181,421		$0		$2,330,433
ECS Program Unit (PUF)	$0	$500,461	$542,561		$0		$1,043,022
Severe Disabilities (Gr 1-12)	$1,497,217	$3,614,227	$201,883		$0		$5,313,327
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$970	$0	$91,647		$146,129		$238,746
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$15,070	$0	$13,090		$0		$28,160
Institutional Programs	$71,172	$0	$0		$0		$71,172
Alberta Initiative for School Improvement	$801,033	$352	$98,206	$0	$53,567		$953,158
Student Health Initiative	$44,601	$327,697	$100,008		$0		$472,306
High Speed Networking			$73,794		$0		$73,794
Class Size	$968,552	$0	$0	$0	$0		$968,552
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$25,938,612	$759,447	$1,074,564	$651,185	($125,121)	$0	$28,298,687
TOTAL EXPENSES	$34,221,403	$7,730,559	$4,156,546	$651,185	$53,567	$1,522,039	$48,335,299

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	20.5	85.8
ECS Program Unit (PUF)	1.7	25.9
Severe Disabilities (Gr 1-12)	20.4	85.9

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 2285

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		$64,575,859

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,583,034
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$2,583,034

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,180,702
PLUS: transfers to Restricted - Operating (Board/System Administration)	$205,029
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,385,731
MAXIMUM EXPENSE LIMIT	$2,583,034
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$197,303

School Jurisdiction Code: 2285

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$741,601
Source of Net School Generated Funds:				
Fundraising activities	$1,578,521	$947,099	$631,422	
Student fees (Non-Instructional) (Note 2)	$368,668		$368,668	
Donations and grants to schools	$81,323		$81,323	
Other (describe): Interest	$733	$0	$733	
Net Additions to SGF	$2,029,245	$947,099		$1,082,146
Net SGF Available for Discretionary Spending				$1,823,747
Application of Net School Generated Funds:				
Extra-curricular activities			$810,812	
School beautification			$8,494	
Field Trips			$159,936	
Equipment			$21,632	
Family literacy and other community resources			$0	
Other (describe): Bank Charges			$2,946	
Net SGF Expended for Discretionary Purposes (Note 3)				$1,003,820
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$819,927

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 2285

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$153,391	$792,873	$0	$0	$86,815	$1,033,079		$1,033,079
Uncertificated benefits	$43,600	$169,774	$0	$0	$16,275	$229,649		$229,649
Sub-total Remuneration	$196,991	$962,647	$0	$0	$103,090	$1,262,728		$1,262,728
Contracted Services	$1,500,894	$193,523	$47,358	$0	$87,186	$1,828,961		$1,828,961
Supplies	$170,064	$287,353	$0	$416,233	$24,290	$897,940		$897,940
Electricity			$720,215			$720,215		$720,215
Natural Gas/Heating Fuel			$585,361			$585,361		$585,361
Sewer and Water			$98,571			$98,571		$98,571
Telecommunications			$53,048			$53,048		$53,048
Insurance					$183,454	$183,454		$183,454
Amortization of capital assets								
Supported							$1,491,135	$1,491,135
Unsupported						$788,816		$788,816
Total Amortization						$788,816	$1,491,135	$2,279,951
Interest on capital debt								
Supported							$953,181	$953,181
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,867,949	$1,443,523	$1,504,553	$416,233	$398,020	$6,419,094	$2,444,316	$8,863,410
SQUARE METRES								
School Buildings								104,419.0
Non School Buildings								2,810.0
UNCERTIFICATED FTE'S (Board/Contract)	55.6	16.6						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2285

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Brenda Herder	1.0	$24,936	$4,544	$0			$29,480	$5,096
Name	Gwenda Poyser	0.2	$3,169	$678	$0			$3,847	$0
Other Board Members:									
Name	Rebecca Heiberg	0.8	$17,037	$2,916	$0			$19,953	$4,032
Name	Michele Mulder	0.2	$2,093	$636	$0			$2,729	$0
Name	Gerald Oberg	1.0	$20,119	$1,876	$0			$21,995	$5,664
Name	Ken Offord	0.8	$17,171	$3,721	$0			$20,892	$4,688
Name	Victor Petruk	0.8	$17,847	$2,957	$0			$20,804	$5,841
Name	William Sears	0.2	$2,685	$326	$0			$3,011	$100
Name	Cheryl Smith	1.0	$24,642	$3,679	$0			$28,321	$5,098
Name	Hamed Syed	0.8	$14,533	$0	$0			$14,533	$2,980
Name	Wayne Throndson	0.2	$1,806	$196	$0			$2,002	$0
Name	Patricia Zeniuk	1.0	$20,810	$4,373	$0			$25,183	$4,141
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$166,848*	*$25,902*	*$0*			*$192,750*	*$37,640*
Superintendent	Warren Phillips	1.0	$125,853	$8,758	$0	$0	$0	$134,611	$15,185
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	William Schulte	1.0	$110,672	$17,844	$0	$0	$0	$128,516	$9,143
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		437.3	$31,403,276	$3,076,816	$0	$0	$0	$34,480,092	
Uncertificated Salaries & Wages		405.0	$10,398,064	$1,808,422	$0	$0	$0	$12,206,486	
TOTALS			**$42,204,713**	**$4,937,742**	**$0**	**$0**	**$0**	**$47,142,455**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 2245

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Black Gold Regional Division No. 18
Legal Name of School Jurisdiction

#301, 1101 5th Street, Nisku, Alberta T9A 7N3
Mailing Address

(780) 955-6025 (780) 955-6050 (Fax)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Black Gold Regional Division No. 18 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Barb Martinson	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Norman Yanitski	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Orville Borys	"ORIGINAL SIGNED"
Name	Signature

23-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

To the Board of Trustees of

BLACK GOLD REGIONAL DIVISION NO. 18

We have audited the statement of financial position of the **Black Gold Regional Division No. 18** as at August 31, 2005 and the related statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP

Leduc, Alberta
November 10, 2005

CHARTERED ACCOUNTANTS

School Jurisdiction Code: 2245

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

			2005	2004
ASSETS				
Current assets				
	Cash and temporary investments		$9,218,494	$7,251,328
	Accounts receivable (net after allowances)		$3,580,922	$6,564,738
	Prepaid expenses		$79,567	$184,483
	Other current assets		$625,014	$287,925
	Total current assets		$13,503,997	$14,288,474
School generated assets			$761,432	$852,258
Trust assets			$535,624	$613,447
Long term accounts receivable			$184,000	$220,800
Long term investments			$0	$0
Capital assets				
	Land		$2,394,945	$2,394,945
	Buildings	$94,748,118		
	Less: accumulated amortization	($36,454,778)	$58,293,340	$51,798,547
	Equipment	$6,087,699		
	Less: accumulated amortization	($3,662,839)	$2,424,860	$1,874,508
	Vehicles	$917,880		
	Less: accumulated amortization	($351,322)	$566,558	$638,416
	Total capital assets		$63,679,703	$56,706,416
	TOTAL ASSETS		$78,664,756	$72,681,395
LIABILITIES				
Current liabilities				
	Bank indebtedness		$0	$0
	Accounts payable and accrued liabilities		$5,009,708	$5,757,858
	Deferred revenue		$1,129,749	$1,017,525
	Deferred capital allocations		$2,660,639	$2,574,952
	Current portion of all long term debt		$1,939,276	$2,173,310
	Total current liabilities		$10,739,372	$11,523,645
School generated liabilities			$761,432	$852,258
Trust liabilities			$535,624	$613,447
Employee future benefits liability			$63,000	$0
Long term payables and accrued liabilities			$0	$0
Long term debt				
Supported	Debentures and other supported debt		$9,104,010	$11,277,320
	Less: Current portion of supported debt		($1,939,276)	($2,173,310)
Unsupported:	Debentures and Capital Loans		$0	$0
	Capital Leases		$0	$0
	Mortgages		$0	$0
	Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations			$48,964,871	$40,027,830
	Total long term liabilities		$57,489,661	$50,597,545
	TOTAL LIABILITIES		$68,229,033	$62,121,190
NET ASSETS				
	Unrestricted net assets		$397,046	$395,550
	Operating Reserves		$3,176,680	$3,516,107
	Accumulated Operating Surplus (Deficit)		$3,573,726	$3,911,657
	Investment in capital assets		$5,610,822	$5,401,266
	Capital Reserves		$1,251,175	$1,247,282
	Total Capital Funds		$6,861,997	$6,648,548
	Total net assets		$10,435,723	$10,560,205
	TOTAL LIABILITIES AND NET ASSETS		$78,664,756	$72,681,395

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2245

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$60,456,325	$58,125,230	$58,144,496
Federal Government and/or First Nations	$18,523	$0	$8,293
Other Alberta school authorities	$72,376	$0	$31,535
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$71,620	$59,732	$63,188
Instruction resource fees	$512,578	$512,765	$514,749
Transportation fees	$89,719	$90,000	$82,746
Other sales and services	$139,186	$77,150	$118,816
Investment income	$228,084	$89,900	$236,770
Gifts and donations	$17,393	$0	$23,074
Rentals of facilities	$117,677	$106,160	$126,101
Net school generated funds	$2,319,717	$1,800,000	$2,058,289
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$2,065,456	$2,435,481	$2,078,095
Total Revenues	$66,108,654	$63,296,418	$63,486,152
EXPENSES			
Certificated salaries	$35,050,661	$33,632,048	$32,771,725
Certificated benefits	$3,893,654	$3,621,164	$3,465,132
Uncertificated salaries and wages	$8,899,316	$8,862,337	$8,244,451
Uncertificated benefits	$1,945,937	$1,871,939	$1,780,985
Services, contracts and supplies	$10,611,439	$10,061,099	$11,048,633
Net school generated funds	$2,319,717	$1,800,000	$2,058,289
Capital and debt services			
Amortization of capital assets			
Supported	$2,065,456	$2,435,481	$2,078,095
Unsupported	$423,470	$440,449	$394,109
Total Amortization of capital assets	$2,488,926	$2,875,930	$2,472,204
Interest on capital debt			
Supported	$1,019,463	$1,021,229	$1,273,451
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,019,463	$1,021,229	$1,273,451
Other interest charges	$0	$3,000	$2,183
Losses on disposal of capital assets	$4,023	$0	$7,643
Total Expenses	$66,233,136	$63,748,746	$63,124,696
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($124,482)	($452,328)	$361,456
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($124,482)	($452,328)	$361,456

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2245

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($124,482)	$361,456
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,065,456)	($2,078,095)
Total amortization expense	$2,488,926	$2,472,204
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$4,023	$7,643
Changes in accrued accounts:		
Accounts receivable	$2,983,816	($4,284,694)
Prepaids and other current assets	($232,173)	$97,977
Long term accounts receivable	$36,800	$36,800
Long term investments	$0	$0
Payables and accrued liabilities	($748,150)	$985,363
Deferred revenue	$112,224	($821,877)
Employee future benefit expense (recovery)	$63,000	$0
Other (describe) Net capital alloc/holdback non-cash transactions	$700,205	$3,555,820
Total sources (uses) of cash from Operations	$3,218,733	$332,597
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($8,463,370)	($7,560,419)
Equipment	($953,681)	($310,593)
Vehicles	($55,634)	($145,399)
Net proceeds from disposal of capital assets	$18,130	$19,500
Other (describe) Net holdback non-cash transactions	$371,235	$23,454
Total sources (uses) of cash from Investing activities	($9,083,320)	($7,973,457)
C. FINANCING ACTIVITIES		
Capital allocations	$8,903,193	$3,741,803
Issue of long term debt	$0	$0
Repayment of long term debt	($2,173,310)	($2,501,257)
Add back: supported portion	$2,173,310	$2,501,257
Other (describe) Net capital allocations non-cash transactions	($1,071,440)	($3,579,274)
Total sources (uses) of cash from Financing activities	$7,831,753	$162,529
Net sources (uses) of cash during year	$1,967,166	($7,478,331)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$7,251,328	$14,729,659
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$9,218,494	$7,251,328

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 2245

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL INTERNALLY RESTRICTED NET ASSETS** Cols. 5 to 14	**INTERNALLY RESTRICTED NET ASSETS**									
					School Based		**Infrastructure**		**Board & System Admin.**		**Transportation**		**External Services**	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$10,560,205	$5,401,266	$395,550	$4,763,389	$2,119,337	$390,842	$129,174	$551,964	$507,465	$161,476	$653,031	$0	$107,100	$143,000
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$10,560,205	$5,401,266	$395,550	$4,763,389	$2,119,337	$390,842	$129,174	$551,964	$507,465	$161,476	$653,031	$0	$107,100	$143,000
Surplus(def) of revenue over expense	($124,482)		($124,482)											
Board funded capital transactions		$655,179	($168,885)	($486,294)	($64,469)	($174,248)	$0	($52,071)	$0	($70,506)	$0	$0	$0	($125,000)
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,488,926)	$2,488,926											
Amortization of capital allocations		$2,065,456	($2,065,456)											
Disposal of unsupported capital assets	$0	($22,153)	$4,023	$18,130		$390		$17,350		$390		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($409,661)	$409,661	$254,701		$0		$0		$98,557		$56,403	
Net transfers from operating reserves			$684,619	($684,619)	($676,225)		$0		($8,394)		$0		$0	
Net transfers to capital reserves			($407,588)	$407,588		$234,203		$89,127		$84,258		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$10,435,723	$5,610,822	$397,046	$4,427,855	$1,633,344	$451,187	$129,174	$606,370	$499,071	$175,618	$751,588	$0	$163,503	$18,000

School Jurisdiction Code: 2245

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$2,574,952	$40,027,830
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$2,574,952	$40,027,830
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$6,275,108	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$2,571,404	
Interest earned on provincial government capital allocations	$56,681	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$11,681
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$2,173,310
Expended capital allocations - current year	($8,817,506)	$8,817,506
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,065,456
Balance at August 31, 2005	$2,660,639	$48,964,871

1. Authority And Purpose

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3. It is not taxable under Section 149(1) of the *Income Tax Act*.

The Division receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Division is limited on administration expenses and is permitted to reallocate funding within the Alberta Education instruction and support block areas.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependant on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Grants received for construction and acquisition of capital assets are recognized as revenue on the same basis that the cost of the assets is amortized.

(b) Capital Assets

Capital assets costing greater than $5,000 are recorded at original cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	10 to 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years

2. Significant Accounting Policies (continued)

(c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

(d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Black Gold Regional Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $438,010 for the year ended August 31, 2005 (2004 - $371,754). At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 - deficiency of $1,453,487,000).

During the year, the Division became a member of the registered Supplemental Integrated Pension Plan (SiPP). The plan provides supplementary pension plan benefits to a prescribed class of employees in addition to Local Authorities Pension Plan or Alberta Teacher Retirement Fund.

There are four employees who are eligible to participate in the plan, all are currently participating.

(f) Employee Future Benefits

During the year, the Division became a member of the non-registered SiPP retirement program. The Division accrues its obligations under employee future benefit plans and expenses the related costs.

(g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

2. Significant Accounting Policies (continued)

(h) Financial Instruments

The Division's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and liabilities, trust assets and liabilities, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

(i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the Division, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

3. Accounts Receivable

	2005	2004
Government of Alberta	$ 2,773,079	$ 5,666,238
Federal Government	624,539	578,471
Other	145,832	184,622
Alberta Municipalities	37,472	135,407
	$ 3,580,922	$ 6,564,738

Long-term accounts receivable arose upon the sale of the interest and right of occupancy to the School Board Space in the Leduc Civic Center Complex, and will be collected in equal instalments over the next six years. The current portion of $36,800 is included in the amount due from Alberta Municipalities, above. Other current accounts receivable which have been outstanding for more than one year total $174,036.

4. Trust Assets and Trust Liabilities

(a) Deferred Salary Leave Plan

The Black Gold Regional Division No. 18 has established a Deferred Salary Leave Plan, whereby eligible employees are able to, at their option, defer a portion of their salary. These funds are held in trust in separate bank accounts. At August 31, 2005 total funds in the plan were $212,950 (2004 - $283,901).

(b) Scholarship Trusts

The Division also manages trust funds, which will be used to pay school scholarships. At August 31, 2005 total funds in trust were $47,002 (2004 - $45,105).

4. Trust Assets and Trust Liabilities (continued)

(c) Student Health Initiative Trust

The Division is the banker board for the Leduc and Area Student Health Initiative Partnership. As of August 31, 2005, the Division held $275,672 in trust for this initiative (2004 – $284,441).

5. Accounts Payable and Accrued Liabilities

	2005	2004
Trade payables	$ 3,039,951	$ 3,293,638
Payroll remittances payable	1,352,274	1,322,353
Government of Alberta	441,637	560,288
Wages payable	170,541	529,071
Alberta Municipalities	5,305	10,156
Early retirement payable	-	42,352
	$ 5,009,708	$ 5,757,858

6. Deferred Revenue

The following amounts have been deferred and will be recognized as income to match the expenditures as incurred.

	2005	2004
Operations and maintenance support	$ 408,512	$ 365,137
Infrastructure Maintenance Program (formerly BQRP)	379,713	285,327
One-time grant funding	195,000	-
Other	146,524	164,434
Block modernization funding	-	202,627
	$ 1,129,749	$ 1,017,525

7. Debenture Debt

The debenture debt bears interest at rates varying between 8.375% and 12%. Interest paid on long-term debt during 2005 was $1,138,115 (2004 - $1,403,170).

Debenture payments due over the next five years and beyond are:

	Principal	Interest	Total
2005-2006	$1,939,276	$910,317	$2,849,593
2006-2007	1,631,932	710,478	2,342,410
2007-2008	1,538,067	543,372	2,081,439
2008-2009	1,073,016	385,710	1,458,726
2009-2010	787,021	278,696	1,065,717
2010 to maturity	2,134,698	453,038	2,587,736
	$ 9,104,010	$ 3,281,611	$ 12,385,621

The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt, therefore the working capital (current assets minus current liabilities) is understated by $1,939,276.

8. Deferred Capital Allocations

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the Division, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

9. Unamortized Capital Allocations

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid. Since the receipt of the funding does not coincide with the amortization of the cost, the unamortized portion of the grants are recorded as a liability on the statement of financial position.

10. Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

11. Contingencies

The Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. The payments have been recorded as expenditures in the financial statements, as the value of equity is subject to liability claims and is not an asset that the Division can liquidate.

12. Budget Amounts

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

13. Economic Dependence on Related Third Party

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent upon this funding.

14. Trustees Remuneration (Schedule G)

The remuneration disclosed on Schedule G includes both the taxable and non-taxable portion of trustees' remuneration.

SCHEDULE A to the AFS

School Jurisdiction Cod 2245

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$54,647,683	$47,785,094	$1,804,527	$2,805,466	$2,225,436	$27,160
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$1,192,071	$0	$1,192,071			
(3)	Regular Operations & Maintenance support	$3,509,092		$3,509,092			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$4,701,163	$0	$4,701,163			
(6)	**Alberta Finance**	$1,019,463		$1,019,463			$0
(7)	**Other - Government of Alberta**	$88,016	$81,747	$6,269	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$18,523	$17,535	$988	$0	$0	$0
(9)	**Other Alberta school authorities**	$72,376	$71,716		$660	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$71,620	$32,062	$2,500	$0	$1,037	$36,021
(12)	**Instruction resource fees**	$512,578	$512,578				
(13)	**Transportation fees**	$89,719			$89,719		
(14)	**Other sales and services**	$139,186	$104,896	$28,859	$1,064	$1,803	$2,564
(15)	**Investment income**	$228,084	$175,040	$34,589	$10,179	$8,276	$0
(16)	**Gifts and donations**	$17,393	$17,393	$0	$0		$0
(17)	**Rentals of facilities**	$117,677	$3,150	$11,450	$0	$0	$103,077
(18)	**Net school generated funds**	$2,319,717	$2,319,717			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$2,065,456	$163,096	$1,893,238	$9,122		$0
(21)	**TOTAL REVENUES**	$66,108,654	$51,284,024	$9,503,046	$2,916,210	$2,236,552	$168,822
	EXPENSES						
(22)	**Certificated salaries**	$35,050,661	$34,671,328			$379,333	$0
(23)	**Certificated benefits**	$3,893,654	$3,787,787			$105,867	$0
(24)	**Uncertificated salaries and wages**	$8,899,316	$5,701,744	$2,129,767	$101,151	$947,592	$19,062
(25)	**Uncertificated benefits**	$1,945,937	$1,259,418	$451,635	$22,820	$211,177	$887
(26)	**SUB - TOTAL**	$49,789,568	$45,420,277	$2,581,402	$123,971	$1,643,969	$19,949
(27)	**Services, contracts & supplies**	$10,611,439	$3,465,101	$3,904,304	$2,684,560	$481,272	$76,202
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	($3,424)	$3,424
(29)	**Net school generated funds**	$2,319,717	$2,319,717				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$2,065,456	$163,096	$1,893,238	$9,122	$0	$0
(31)	Unsupported	$423,470	$233,328	$104,402	$0	$72,896	$12,844
(32)	Total Amortization	$2,488,926	$396,424	$1,997,640	$9,122	$72,896	$12,844
	Interest on capital debt						
(33)	Supported	$1,019,463	$0	$1,019,463	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$4,023	$1,893	$237	$0	$1,893	$0
(37)	**TOTAL EXPENSES**	$66,233,136	$51,603,412	$9,503,046	$2,817,653	$2,196,606	$112,419
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($124,482)	($319,388)	$0	$98,557	$39,946	$56,403

School Jurisdiction Code: 2245

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,461,898
Base Instruction (Gr 1-12)	$39,441,164
Outreach Programs	$52,020
Home Education	$56,243
Differential Cost Funding *	$8,795,198
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$59,181
Federal French Funding	$110,156
Provincial Priority Targeted Funding	
Class Size Initiative	$1,548,355
Student Health Initiative (SHI)	$49,838
Alberta Initiative for School Improvement (AISI)	$1,019,147
High Speed Networking	$54,526
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe): (Secondment, sub reimburse, O&M, License Rebate,Video Conferencing)	$1,999,957
Total Alberta Education Revenues	$54,647,683

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 2245

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$3,342,147	$2,872,354	$489,473		($78,571)	$201,177	$6,826,580
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$2,184,800	$309,623	$101,589		$0		$2,596,012
ECS Program Unit (PUF)	$176,705	$713,673	$63,374		$78,571		$1,032,323
Severe Disabilities (Gr 1-12)	$503,030	$2,835,686	$135,517		$0		$3,474,233
English as a Second Language	$0	$24,899	$25,471		$0		$50,370
French Language Program & Francisation (all jurisdictions)	$0	$0	$110,156		$0		$110,156
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$37,520	$0	$29,994		$0		$67,514
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$902,604	$71,893	$39,146	$6,821	$0		$1,020,464
Student Health Initiative	$3,249	$18,008	$1,420		$0		$22,677
High Speed Networking			$55,553		$0		$55,553
Class Size	$1,555,270	$0	$0	$0	$0		$1,555,270
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$29,753,790	$115,026	$1,834,828	$571,759	$0	$2,516,857	$34,792,260
TOTAL EXPENSES	$38,459,115	$6,961,162	$2,886,521	$578,580	$0	$2,718,034	$51,603,412

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	29.1	11.2
ECS Program Unit (PUF)	2.0	21.9
Severe Disabilities (Gr 1-12)	6.7	106.4

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 2245

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$66,233,136**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,649,325
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,649,325**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,196,606
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$8,394
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,188,212
MAXIMUM EXPENSE LIMIT	$2,649,325
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$461,113

School Jurisdiction Code: 2245

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$852,258
Source of Net School Generated Funds:				
Fundraising activities	$922,026	$706,763	$215,263	
Student fees (Non-Instructional) (Note 2)	$1,795,873		$1,795,873	
Donations and grants to schools	$97,523		$97,523	
Other (describe) Interest, practicum, miscellaneous	$120,232	$0	$120,232	
Net Additions to SGF	$2,935,654	$706,763		$2,228,891
Net SGF Available for Discretionary Spending				$3,081,149
Application of Net School Generated Funds:				
Extra-curricular activities			$260,613	
School beautification			$0	
Field Trips			$457,944	
Equipment			$11,681	
Family literacy and other community resources			$0	
Other (describe) Other student activities, supplies, miscellaneous			$1,589,479	
Net SGF Expended for Discretionary Purposes (Note 3)				$2,319,717
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$761,432

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 2245

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,273,554	$586,033	$0	$0	$270,180	$2,129,767		$2,129,767
Uncertificated benefits	$237,775	$152,617	$0	$0	$61,243	$451,635		$451,635
Sub-total Remuneration	$1,511,329	$738,650	$0	$0	$331,423	$2,581,402		$2,581,402
Contracted Services	$25,575	$400,244	$0	$1,205,003	$8,206	$1,639,028		$1,639,028
Supplies	$192,571	$275,877	$0	$0	$10,614	$479,062		$479,062
Electricity			$941,269			$941,269		$941,269
Natural Gas/Heating Fuel			$593,058			$593,058		$593,058
Sewer and Water			$73,906			$73,906		$73,906
Telecommunications			$35,193			$35,193		$35,193
Insurance					$142,788	$142,788		$142,788
Amortization of capital assets								
Supported							$1,893,238	$1,893,238
Unsupported						$104,402		$104,402
Total Amortization						$104,402	$1,893,238	$1,997,640
Interest on capital debt								
Supported							$1,019,463	$1,019,463
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$237		$237
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,729,475	$1,414,771	$1,643,426	$1,205,003	$493,031	$6,590,345	$2,912,701	$9,503,046
SQUARE METRES								
School Buildings								104,418.8
Non School Buildings								3,752.2
UNCERTIFICATED FTE'S (Board/Contract)	44.8	13.0						

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe.

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed Block Mod/I.M.P. & Portable Relocations: All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2245

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Lois Watson	1.0	$24,384	$3,258	$0			$27,642	$5,741
Name	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Barb Martinson	1.0	,25,779	$4,658	$0			$30,437	$5,574
Tonia Bills	1.0	$20,293	$3,572	$0			$23,865	$7,521
Ed Chubocha	1.0	$13,377	$123	$0			$13,500	$3,269
Johnette Lemke	1.0	$20,829	$4,522	$0			$25,351	$6,355
May Metke	1.0	$15,519	$3,024	$0			$18,543	$6,754
Cec Race	1.0	$18,402	$3,353	$0			$21,755	$5,176
Terry Bouwman	0.0	$2,234	$582	$0			$2,816	$491
Dixon Ward	0.0	$1,890	$601	$0			$2,491	$159
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Subtotal	*7.0*	*$142,707*	*$23,693*	*$0*			*$166,400*	*$41,040*
John Bole	1.0	$137,200	$66,098	$0	$0	$0	$203,298	$9,722
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Orville Borys	1.0	$119,055	$35,862	$0	$0	$0	$154,917	$9,898
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	492.6	$34,913,461	$3,827,556	$0	$0	$0	$38,741,017	
Uncertificated Salaries & Wages	302.5	$8,637,554	$1,875,712	$0	$0	$10,670	$10,523,936	
TOTALS		**$43,949,977**	**$5,828,921**	**$0**	**$0**	**$10,670**	**$49,789,568**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 6017

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

BOYLE STREET EDUCATION CENTRE
Legal Name of School Jurisdiction

10312 - 105 STREET, EDMONTON, AB T5J 1E6
Mailing Address

PH: (780) 424-4106 FAX: (780) 425-2205
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules BOYLE STREET EDUCATION CENTRE (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Tracy Pelland	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

John Brosseau	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Hope Hunter	"ORIGINAL SIGNED"
Name	**Signature**

17-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

DENNIS PALLARD PROFESSIONAL CORPORATION
CHARTERED ACCOUNTANT

Dennis Pallard, CA
Tom Wong, CMA
Bobi-Rae Millier, CGA

#145, 14315 - 118 Avenue
Edmonton, Alberta, Canada T5L 4S6
Phone (780) 454-6757
Fax (780) 455-0194

AUDITOR'S REPORT

To the directors of the Boyle Street Education Centre

I have audited the statement of financial position of Boyle Street Education Centre as at August 31, 2005 and the statements of operations and changes in net assets and cash flow for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. These standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion these financial statements present fairly, in all material respects, the financial position of the organization as at August 31, 2005 and the results of its operations and cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Dennis Pallard

Edmonton, Alberta
November 2, 2005

CHARTERED ACCOUNTANT

School Jurisdiction Code: 6017

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$770,623	$186,644
Accounts receivable (net after allowances)		$78,027	$277,158
Prepaid expenses		$50,376	$50,715
Other current assets		$0	$0
Total current assets		$899,026	$514,517
School generated assets		$7,919	$15,569
Trust assets		$28,049	$27,516
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$118,925		
Less: accumulated amortization	($24,837)	$94,088	$99,071
Equipment	$60,973		
Less: accumulated amortization	($12,195)	$48,778	$24,325
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$142,866	$123,396
TOTAL ASSETS		$1,077,860	$680,998
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$47,701	$99,311
Deferred revenue		$0	$18,101
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$47,701	$117,412
School generated liabilities		$7,919	$15,569
Trust liabilities		$28,049	$27,516
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$35,968	$43,085
TOTAL LIABILITIES		$83,669	$160,497
NET ASSETS			
Unrestricted net assets		$907,827	$397,105
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$907,827	$397,105
Investment in capital assets		$86,364	$123,396
Capital Reserves		$0	$0
Total Capital Funds		$86,364	$123,396
Total net assets		$994,191	$520,501
TOTAL LIABILITIES AND NET ASSETS		$1,077,860	$680,998

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6017

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$2,264,873	$1,809,171	$1,632,786
Federal Government and/or First Nations	$18,101	$0	$39,016
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$0	$0	$0
Transportation fees	$0	$0	$0
Other sales and services	$0	$0	$0
Investment income	$11,324	$0	$6,204
Gifts and donations	$0	$67,000	$9,500
Rentals of facilities	$0	$0	$0
Net school generated funds	$0	$0	$7,191
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$2,294,298	$1,876,171	$1,694,697
EXPENSES			
Certificated salaries	$781,260	$724,004	$678,711
Certificated benefits	$76,046	$69,631	$74,797
Uncertificated salaries and wages	$181,267	$202,902	$227,616
Uncertificated benefits	$32,579	$36,840	$28,999
Services, contracts and supplies	$712,424	$683,843	$483,540
Net school generated funds	$0	$0	$7,191
Capital and debt services			
Amortization of capital assets			
Supported	$37,032	$0	$0
Unsupported	$0	$0	$0
Total Amortization of capital assets	$37,032	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$1,820,608	$1,717,220	$1,500,854
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$473,690	$158,951	$193,843
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$473,690	$158,951	$193,843

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6017

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$473,690	$193,843
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$37,032	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$199,131	($218,561)
Prepaids and other current assets	$339	($43,215)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($51,610)	$65,372
Deferred revenue	($18,101)	$5,416
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$640,481	$2,855
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($19,854)	($99,075)
Equipment	($36,648)	($24,325)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($56,502)	($123,400)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$583,979	($120,545)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$186,644	$307,189
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$770,623	$186,644

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 6017

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$520,501	$123,396	$397,105	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$520,501	$123,396	$397,105	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	$473,690		$473,690											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($37,032)	$37,032											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$994,191	$86,364	$907,827	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 6017

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

1. AUTHORITY AND PURPOSE

The Boyle Street Education Centre was incorporated on August 16, 2000 as a company pursuant to the Alberta Companies Act. The object for which the company is established is to maintain a Charter School within the meaning of the Alberta School Act and to do anything which is conducive to the attainment of the foregoing object. The income and property of the company must be applied solely towards the promotion of its objects and none of its property is to be paid or transferred to its members.

The Boyle Street Education Centre delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta, 2000, Chapter S-3.

The Education Centre receives instruction and support allocations under Regulation 77/2003. The Regulation allows for the setting of conditions and use of grant monies. The Education Centre is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

REVENUE RECOGNITION

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Scholarship trust funds are recognized as direct increases in trust assets and liabilities in the period in which they are veceived or receivable.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost and are amortized over five years using the straight line method. Property and equipment with a cost in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

SCHOOL GENERATED FUNDS

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained and expended at the school level.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

PENSIONS

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Boyle Street Education Centre does not make pension contributions for certificated staff.

PREPAID EXPENSES

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year-end and are recorded as prepaid expenses. Certain insurance expenses also fall into this category.

CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to the school. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

FINANCIAL INSTRUMENTS

These consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the Education Centre is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Education Centre has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

TRUST ASSETS AND LIABILITIES

The Education Centre holds scholarship trust funds received from Canative Housing. The amount has been recorded as restricted cash and is to be used for future scholarship payments, the eligibility for which is to be determined by the Scholarship Committee.

OPERATING AND CAPITAL RESERVES

Reserves can be established by external mandates or at the discretion of the Board of Directors to set aside funds for future operations, capital expenditures or other purposes. Such reserves are appropriations of accumulated net assets and as at August 31, 2005 the Education Centre had not established any reserves.

SURPLUS REPAYMENT AND DEFICIT RECOVERIES

The Education Centre receives most of its revenues from the Alberta government and any current year's surplus or deficit may be repayable to or recoverable from the original funder. The conditions and timing of repayment or recovery are indeterminate and no provision for these amounts is recorded until the funder advises the organization. Surplus repayments and revenue recoveries related to prior years are not recorded in the current year's transactions but rather are charged or credited to the organization's accumulated net assets. Details of the repayments and recoveries are in Note 10. As at August 31, 2005, management is of the opinion that there is no funding repayable.

3. SCHOOL GENERATED FUNDS

Details of the school generated funds are as follows:

	2005	2004
Balance beginning of year	$ 15,569	$ 20,185
Source of school generated funds (SGF)		
Reimbursement of expenses	-	2,047
Interest and other revenue	214	528
	15,783	22,760
Less SGF expended for the year	(7,864)	(7,191)
Balance end of year	$ 7,919	$ 15,569

4. SCHOLARSHIP TRUST FUND

Details of the scholarship trust fund are as follows:

	2005	2004
Balance beginning of year	$ 27,516	$ 27,004
Interest earned	533	512
Balance end of year	$ 28,049	$ 27,516

5. ACCOUNTS RECEIVABLE

Details of the accounts receivable are as follows:

	2005	2004
Alberta Infrastructure	$ 63,021	$ 197,395
Alberta Learning	-	57,980
Goods and Services Tax rebate	9,563	19,654
Boyle Street Service Society	2,129	2,129
Other	3,314	-
	$ 78,027	$ 277,158

BOYLE STREET EDUCATION CENTRE
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2005

6. PROPERTY AND EQUIPMENT

Details of the property and equipment are as follows:

	2005			2004
	Cost	Accumulated Ammortization	Net Book Value	Net Book Value
Leasehold improvements	$ 118,925	$ 24,837	$ 94,088	$ 99,071
Equipment	60,973	12,195	48,778	24,325
	$ 179,898	$ 37,032	$ 142,866	$ 123,396

7. ACCOUNTS PAYABLE

Details of the accounts payable are as follows:

	2005	2004
Trade payables	$ 47,701	$ 99,311

8. DEFERRED REVENUE

Details of the deferred revenue are as follows:

	2005	2004
Department of Justice	$ -	$ 18,101

9. OTHER GRANTS

Details of the other grants are as follows:

	2005	2004
Justice Canada - Beat of Boyle Street	$ 18,101	$ 39,016
Universiade '83 Foundation Inc.	-	3,000
AADAC - Kick the Nic	-	5,000
	$ 18,101	$ 47,016

BOYLE STREET EDUCATION CENTRE
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2005

10. PAYMENTS FROM ALBERTA LEARNING RELATING TO PRIOR YEARS

During the 2005 fiscal year Alberta Learning advanced $39,996 to the Education Centre and recovered $14,236 from the Education Centre, for a net advance of $25,760, which related to the 2004 funding fiscal year.

During the 2004 fiscal year Alberta Learning recovered $948 from the Education Centre which related to the 2003 funding fiscal year.

11. BUDGET AMOUNTS

The notes to the financial statements accompany both these audited financial statements and the Alberta Learning audited financial statements prepared on their prescribed forms. The Alberta Learning financial statements include budgeted amounts. The budget was prepared by the Education Centre and approved by the Board of Directors and it is presented for information purposes only and has not been audited.

12. LEASE COMMITMENT

The Edmonton Public School Board (EPSB) has subleased the R.H. David Building located at 10312 - 105 Street, Edmonton, Alberta to the Education Centre for $22,625 per month until the EPSB's lease of the building expires August 31, 2005. Effective September 1, 2005, the Education Centre will lease the facility directly from Belvedere Court Inc. for a term of six years at $19,063 per month plus common area costs and GST.

12. COMPARATIVE FIGURES

The comparative figues have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 6017

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$1,823,281	$1,720,616	$0	$39,605	$63,060	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3)	Regular Operations & Maintenance support	$441,592		$441,592			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$441,592	$0	$441,592			
(6)	**Alberta Finance**	$0		$0			$0
(7)	**Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$18,101	$18,101	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$0	$0				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$0	$0	$0	$0	$0	$0
(15)	**Investment income**	$11,324	$8,603	$2,208	$198	$315	$0
(16)	**Gifts and donations**	$0	$0	$0	$0		$0
(17)	**Rentals of facilities**	$0	$0	$0	$0	$0	$0
(18)	**Net school generated funds**	$0	$0			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$0	$0	$0	$0		$0
(21)	**TOTAL REVENUES**	$2,294,298	$1,747,320	$443,800	$39,803	$63,375	$0
	EXPENSES						
(22)	**Certificated salaries**	$781,260	$781,260			$0	$0
(23)	**Certificated benefits**	$76,046	$76,046			$0	$0
(24)	**Uncertificated salaries and wages**	$181,267	$174,092	$7,175	$0	$0	$0
(25)	**Uncertificated benefits**	$32,579	$31,289	$1,290	$0	$0	$0
(26)	**SUB - TOTAL**	$1,071,152	$1,062,687	$8,465	$0	$0	$0
(27)	**Services, contracts & supplies**	$712,424	$242,471	$342,799	$28,119	$99,035	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$0	$0				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$37,032	$37,032	$0	$0	$0	$0
(31)	Unsupported	$0	$0	$0	$0	$0	$0
(32)	Total Amortization	$37,032	$37,032	$0	$0	$0	$0
	Interest on capital debt						
(33)	Supported	$0	$0	$0	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$1,820,608	$1,342,190	$351,264	$28,119	$99,035	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$473,690	$405,130	$92,536	$11,684	($35,660)	$0

School Jurisdiction Code: 6017

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$0
Base Instruction (Gr 1-12)	$549,688
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$1,220,183
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$0
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$12,596
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$12,054
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe)	$28,760
Total Alberta Education Revenues	$1,823,281

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 6017

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$404,839	$92,518	$89,886		$0	$0	$587,243
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$452,467	$112,863	$120,039		$0		$685,369
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$0	$0	$8,615	$0	$0		$8,615
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$0	$0	$0	$0	$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$0	$0	$0	$0	$0	$60,963
TOTAL EXPENSES	$857,306	$205,381	$218,540	$0	$0	$0	$1,342,190

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 6017

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$1,820,608**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$109,236
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$56,100	$109,236
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$109,236**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$99,035
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$99,035
MAXIMUM EXPENSE LIMIT	$109,236
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$10,201

School Jurisdiction Code: 6017

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$15,569
Source of Net School Generated Funds:				
Fundraising activities	$0	$7,864	($7,864)	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools	$0		$0	
Other (describe): Interest and other revenue	$214	$0	$214	
Net Additions to SGF	$214	$7,864		($7,650)
Net SGF Available for Discretionary Spending				$7,919
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School beautification			$0	
Field Trips			$0	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$0
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$7,919

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 6017

SCHEDULE F to the AFS

Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$7,175	$0	$0	$0	$0	$7,175		$7,175
Uncertificated benefits	$1,290	$0	$0	$0	$0	$1,290		$1,290
Sub-total Remuneration	$8,465	$0	$0	$0	$0	$8,465		$8,465
Contracted Services	$0	$0	$0	$0	$271,970	$271,970		$271,970
Supplies	$9,363	$46,596	$0	$0	$0	$55,959		$55,959
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$0			$0		$0
Insurance					$14,870	$14,870		$14,870
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$17,828	$46,596	$0	$0	$286,840	$351,264	$0	$351,264
SQUARE METRES								
School Buildings								
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6017

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005

(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Subtotal	*0.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent John Brosseau	0.0	$16,738	$0	$0	$0	$0	$16,738	$0
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Hope Hunter	0.0	$30,012	$0	$0	$0	$0	$30,012	$0
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	0.0	$0	$0	$0	$0	$0	$0	
Uncertificated Salaries & Wages	0.0	$0	$0	$0	$0	$0	$0	
TOTALS		**$46,750**	**$0**	**$0**	**$0**	**$0**	**$46,750**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 1155

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Buffalo Trail Public Schools Regional Division #28
Legal Name of School Jurisdiction

1041 10A Street Wainwright, Alberta T9W 2R4
Mailing Address

Phone (780) 842-6144 Fax (780) 842-3255
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Buffalo Trail Public Schools Regional Division #28
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Brent Romanchuk	**"Original Signed"**
Name	**Signature**

SUPERINTENDENT

Mr. Greg Bass	**"Original Signed"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Mr. Jens Byrgesen	**"Original Signed"**
Name	**Signature**

21-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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FAX (780) 632-6133
E-MAIL office@wildeandco.com

AUDITORS' REPORT

To the Board of Trustees
Buffalo Trail Public Schools Regional Division No. 28

We have audited the statement of financial position of the Buffalo Trail Public Schools Regional Division No. 28 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

'Original Signed'
Wilde & Company

Chartered Accountants

Vegreville, Alberta
October 26, 2005

School Jurisdiction Code: 1155

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary nvestments		$2,655,647	$4,073,370
Accounts receivable (net after allowances)		$1,892,024	$2,303,355
Prepaid expenses		$47,345	$166,203
Other current assets		$175,498	$105,972
Total current assets		$4,770,514	$6,648,900
School generated assets		$607,278	$577,929
Trust assets		$372,369	$168,360
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$337,900	$337,900
Buildings	$66,235,865		
Less: accumulated amortization	($31,361,465)	$34,874,400	$36,956,791
Equipment	$4,788,027		
Less: accumulated amortization	($2,650,416)	$2,137,611	$1,139,301
Vehicles	$654,204		
Less: accumulated amortization	($428,687)	$225,517	$286,538
Total capital assets		$37,575,428	$38,720,530
TOTAL ASSETS		$43,325,589	$46,115,719
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,270,399	$1,429,929
Deferred revenue		$517,141	$426,969
Deferred capital allocations		$226,667	$258,701
Current portion of all long term debt		$1,284,366	$1,731,581
Total current liabilities		$3,298,573	$3,847,180
School generated liabilities		$607,278	$577,929
Trust liabilities		$372,369	$168,360
Employee future benefits liability		$4,666	$19,666
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$10,129,102	$11,452,595
	Less: Current portion of supported debt	($1,284,366)	($1,323,493)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$408,089
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	($408,088)
Unamortized capital allocations		$25,133,688	$25,698,652
Total long term liabilities		$34,962,737	$36,593,710
TOTAL LIABILITIES		$38,261,310	$40,440,890
NET ASSETS			
Unrestricted net assets		$1,620,971	$2,469,697
Operating Reserves		$1,123,665	$2,036,933
Accumulated Operating Surplus (Deficit)		$2,744,636	$4,506,630
Investment in capital assets		$2,312,641	$1,161,197
Capital Reserves		$7,002	$7,002
Total Capital Funds		$2,319,643	$1,168,199
Total net assets		$5,064,279	$5,674,829
TOTAL LIABILITIES AND NET ASSETS		$43,325,589	$46,115,719

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1155

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$39,247,052	$38,569,612	$38,012,501
Federal Government and/or First Nations	$82,972	$52,623	$53,191
Other Alberta school authorities	$57,613	$0	
Out of province authorities	$0	$0	
Alberta Municipalities (excluding supplementary requisitions)	$89,186	$0	
Instruction resource fees	$394,647	$314,000	$437,044
Transportation fees	$39,205	$37,500	$42,996
Other sales and services	$167,796	$114,448	$359,132
Investment income	$123,681	$123,881	$146,227
Gifts and donations	$40,579	$15,000	$17,082
Rentals of facilities	$12,655	$9,000	$11,949
Net school generated funds	$852,460	$600,000	$955,410
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,924,528	$2,042,019	$2,010,742
Total Revenues	$43,032,374	$41,878,083	$42,046,274
EXPENSES			
Certificated salaries	$20,181,180	$19,250,008	$19,613,774
Certificated benefits	$2,148,240	$2,156,001	$2,080,102
Uncertificated salaries and wages	$5,619,245	$5,451,598	$5,614,629
Uncertificated benefits	$1,380,394	$981,288	$1,345,107
Services, contracts and supplies	$9,885,435	$11,346,916	$9,879,471
Net school generated funds	$852,460	$675,000	$955,410
Capital and debt services			
Amortization of capital assets			
Supported	$1,924,528	$1,746,870	$2,010,742
Unsupported	$634,319	$295,149	$564,974
Total Amortization of capital assets	$2,558,847	$2,042,019	$2,575,716
Interest on capital debt			
Supported	$1,004,557	$1,323,493	$1,140,793
Unsupported	$12,566	$0	$34,892
Total Interest on capital debt	$1,017,123	$1,323,493	$1,175,685
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$43,642,924	$43,226,323	$43,239,894
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($610,550)	($1,348,240)	($1,193,620)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($610,550)	($1,348,240)	($1,193,620)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 1155

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($610,550)	($1,193,620)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,924,528)	($2,010,742)
Total amortization expense	$2,558,847	$2,575,716
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$411,331	$326,522
Prepaids and other current assets	$49,332	($9,620)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($159,530)	($939,831)
Deferred revenue	$90,172	($214,628)
Employee future benefit expense (recovery)	($15,000)	$13,679
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$400,074	($1,452,524)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($180,469)	$179,422
Equipment	($1,682,747)	($69,837)
Vehicles	($26,961)	($96,824)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,890,177)	$12,761
C. FINANCING ACTIVITIES		
Capital allocations	$480,469	$19,538
Issue of long term debt	$0	$0
Repayment of long term debt	($1,731,582)	($1,741,187)
Add back: supported portion	$1,323,493	$1,355,436
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$72,380	($366,213)
Net sources (uses) of cash during year	($1,417,723)	($1,805,976)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$4,073,370	$5,879,346
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,655,647	$4,073,370

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 1155

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$5,674,829	$1,161,197	$2,469,697	$2,043,935	$1,099,895	$0	$454,346	$7,002	$279,656	$0	$203,036	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$5,674,829	$1,161,197	$2,469,697	$2,043,935	$1,099,895	$0	$454,346	$7,002	$279,656	$0	$203,036	$0	$0	$0
Surplus(def) of revenue over expense	($610,550)		($610,550)											
Board funded capital transactions		$1,377,675	($1,377,675)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($2,558,847)	$2,558,847											
Amortization of capital allocations		$1,924,528	($1,924,528)											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$408,088	($408,088)											
Net transfers to operating reserves			($12,547)	$12,547	$0		$0		$6,500		$6,047		$0	
Net transfers from operating reserves			$925,815	($925,815)	($861,364)		($64,451)		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$5,064,279	$2,312,641	$1,620,971	$1,130,667	$238,531	$0	$389,895	$7,002	$286,156	$0	$209,083	$0	$0	$0

School Jurisdiction Code: 1155

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$258,701	$25,698,652
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$258,701	$25,698,652
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$300,000	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$180,469	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,323,493
Expended capital allocations - current year	($512,503)	$512,503
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$476,432
Capital allocations amortized to revenue		$1,924,528
Balance at August 31, 2005	$226,667	$25,133,688

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings - 2.5 to 10%
Equipment - 20% to 33%
Vehicles - 20%

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense.

c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

d) Vacation Pay
Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Buffalo Trail Public Schools Regional Division No. 28 does not make pension contributions for certificated staff.

The school board participates in a multi-employer pension plan, Local Authorities Pension Plan and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $342,575 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,289 billion (2003 deficiency $1,453 billion).

f) Inventories
Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

These consist of cash, marketable securities, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

k) Investments

Investments are recorded at the lower of cost and market value.

3. ACCOUNTS RECEIVABLE

		2005	2004
Provincial government grants			
	- interest on long term debt	$ 497,989	$ 574,676
	- other	942,787	1,302,082
GST recoverable		256,221	226,478
Other accounts receivable		195,027	200,119
		$ 1,892,024	$ 2,303,355

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2005 Net Book Value	2004 Net Book Value
Land	$ 337,900	$ -	$ 337,900	$ 337,900
Buildings	66,235,865	31,361,465	34,874,400	36,956,791
Equipment	4,788,027	2,650,416	2,137,611	1,139,301
Vehicles	654,204	428,687	225,517	286,538
	$ 72,015,996	$ 34,440,568	$ 37,575,428	$ 38,720,530

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Province of Alberta	$ 497,989	$ 574,676
Other trade payables and accrued liabilities	772,410	855,254
Employee future benefits liability	4,666	19,665
	$ 1,275,065	$ 1,449,595

6. DEFERRED REVENUE

	2005	2004
IMP grants	$ 255,499	$ 143,047
Other grant funds	198,238	227,103
Other revenues	63,404	56,819
	$ 517,141	$ 426,969

7. LONG TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.5% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	2005	2004
Debentures	$ 10,129,102	$ 11,452,595
Total debt	10,129,102	11,452,595
Less current portion of debt	1,284,366	1,323,493
Long term debt	$ 8,844,736	$ 10,129,102

School Year	Principal	Interest	Total
2005-2006	$ 1,284,366	$ 949,524	$ 2,233,890
2006-2007	1,170,517	822,360	1,992,877
2007-2008	1,095,632	707,961	1,803,593
2008-2009	1,059,732	601,040	1,660,772
2009-2010	1,007,294	498,157	1,505,451
2010-maturity	4,511,561	2,270,364	6,781,925
	$ 10,129,102	$ 5,849,406	$ 15,978,508

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure had not yet been made at year end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

	Opening	Proceeds on Sale or Grants Received and Receivable	Approved Transfer Between Projects	Transfer to Unamortized Capital Allocations	Closing
Provost CTS sale	$ -	$ 180,469	$ (180,469)	$ -	$ -
Wainwright High School modernization	198,960	-	-	-	198,960
Video Conference	-	300,000	212,503	(512,503)	-
Interest earned - available for future projects	59,741	-	(32,034)	-	27,707
	$ 258,701	$ 480,469	$ -	$ (512,503)	$ 226,667

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully supported debenture principal repayments.

Details are as follows:

	2005	2004
Opening balance	$ 25,698,652	$ 26,533,380
Net book value of supported capital assets disposed of	(476,432)	-
Transfer from deferred capital allocations - Note 8	512,503	(179,422)
Supported debenture and capital loan principal repayments	1,323,493	1,355,436
Less capital allocation for amortization	(1,924,528)	(2,010,742)
	$ 25,133,688	$ 25,698,652

BUFFALO TRAIL PUBLIC SCHOOLS REGIONAL DIVISION NO. 28
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2005

10. OPERATING RESERVES

	Opening	(Appropriated) Transfer from operating revenues	(Used) Transfer to operating revenues	Transfers to other reserves	Closing
Schools	$ 1,099,895	$ 383,047	$ (1,244,411)	$ -	$ 238,531
Technology	-	16,800	(16,800)	-	-
C.O. Administration	75,547	-	-	-	75,547
District - van	7,200	8,500	-	-	15,700
Election	20,000	-	(20,000)	-	-
C.O. building fund	176,909	18,000	-	-	194,909
Maintenance - general	284,643	90,571	(62,562)	-	312,652
Maintenance - painting	90,572	-	(90,572)	-	-
Maintenance - vehicles	45,834	-	-	-	45,834
Excess interest less board expense	1,888	-	(1,888)	-	-
Family School Liaison Program	31,409	-	-	-	31,409
Transportation	154,784	311		-	155,095
Transportation - vehicles	17,463	5,736	-	-	23,199
Transportation - Edulog	30,789	-	-	-	30,789
	$ 2,036,933	$ 522,965	$ (1,436,233)	$ -	$ 1,123,665

11. CAPITAL RESERVES

	Opening	Transfer from operating revenues	Transfer to operating revenues	Transfers to other reserves	Closing
Land	$ 7,002	-	-	-	$ 7,002

12. DISCLOSURE OF SALARY, BENEFITS AND REIMBURSED EXPENSES

	Number of Individuals	Salaries & Wages	Benefits & Allowances	Total	Reimbursed Expenses
Romanchuk, Brent (Chairman)	1.0	$ 23,767	$ 1,923	$ 25,690	$ 19,478
Belanger, Gail	1.0	15,563	3,445	19,008	7,710
Bell, Larry	1.0	17,037	4,290	21,327	7,371
Eddleston, Darcy	0.9	11,921	3,509	15,430	9,918
Ford, Doreen	0.9	15,094	1,601	16,695	11,465
Haydu, Dick	0.1	1,198	246	1,444	92
Hinton, Lucky	1.0	18,389	4,337	22,726	11,799
Nelson, David	0.9	12,755	3,366	16,121	7,129
Olsen, Lana	1.0	14,454	2,500	16,954	8,045
Spornitz, Chez	0.1	1,742	113	1,855	408
Stewart, Joyce	0.1	1,573	353	1,926	241
Van Ee, Richard	1.0	14,888	4,313	19,201	8,466
Superintendent	1.0	119,724	9,104	128,828	10,117
Board Secretary	1.0	102,186	9,035	111,221	11,921
Board Treasurer	1.0	87,822	16,065	103,887	5,193
Salaries - Certificated (FTE)	287.3	19,959,270	2,130,101	22,089,371	
Salaries/Wages - Uncertificated (FTE)	207.0	5,383,042	1,334,333	6,717,375	
		$ 25,800,425	$ 3,528,634	$ 29,329,059	

Note that the reimbursed expenses were recoveries of costs incurred while on school jurisdiction business and no personal expenses were paid by the school jurisdiction.

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Buffalo Trail Public Schools Regional Division No. 28's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

14. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only.

15. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

16. SCHOOL GENERATED FUNDS

	2005	2004
Balance, beginning of the year	$ 577,929	$ 587,182
Source of school generated funds (SGF)		
SGF for the year	1,353,886	1,552,576
Less: Cost of generating SGF	(562,083)	(648,700)
Donations received	90,006	42,281
Net SGF additions for the year	881,809	946,157
Net SGF available for discretionary spending	1,459,738	1,533,339
SGF expended for discretionary purposes	(852,460)	(955,410)
Balance, end of year	$ 607,278	$ 577,929

17. CONTINGENCIES

Contingent Liability

The jurisdiction is a member of the Alberta Local Authorities Reciprocal Insurance Exchange (Genesis). Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called Genesis. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of equity is subject to liability claims.

18. PENSION COSTS

During the year, Alberta Learning paid the pension plan contributions for the certificated staff to the Alberta Teachers Retirement Fund on behalf of Buffalo Trail Public Schools Regional Division No. 28. The amount of the required contributions for the 2004/2005 year was $2,589,306 (2003/2004 - $2,494,136). If this amount were paid by the Division an equal amount of grant revenue would have been received from Alberta Learning.

19. SUBSEQUENT EVENT

On September 20, 2005 Buffalo Trail Public Schools Regional Division No. 28 entered into a 3 year lease agreement with Scotia bank. The lease is for computers with fair market value of $1,129,772. The lease requires quarterly payments of $99,870 and includes interest at 4%.

SCHEDULE A to the AFS

School Jurisdiction Cod 1155

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$35,802,403	$28,651,846	$1,446,912	$4,129,821	$1,573,824	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$336,202	$0	$336,202			
(3) Regular Operations & Maintenance support	$2,025,678		$2,025,678			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$2,361,880	$0	$2,361,880			
(6) **Alberta Finance**	$1,004,557		$1,004,557			$0
(7) **Other - Government of Alberta**	$78,212	$59,592	$0	$0	$0	$18,620
(8) **Federal Government and/or First Nations**	$82,972	$38,200	$0	$0	$4,156	$40,616
(9) **Other Alberta school authorities**	$57,613	$27,613	$30,000	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$89,186	$0	$0	$0	$0	$89,186
(12) **Instruction resource fees**	$394,647	$394,647				
(13) **Transportation fees**	$39,205			$39,205		
(14) **Other sales and services**	$167,796	$115,245	$35,769	$5,628	$11,154	$0
(15) **Investment income**	$123,681	$123,681	$0	$0	$0	$0
(16) **Gifts and donations**	$40,579	$36,673	$3,300	$0		$606
(17) **Rentals of facilities**	$12,655	$0	$12,655	$0	$0	$0
(18) **Net school generated funds**	$852,460	$852,460			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$1,924,528	$0	$1,924,528	$0		$0
(21) **TOTAL REVENUES**	$43,032,374	$30,299,957	$6,819,601	$4,174,654	$1,589,134	$149,028
EXPENSES						
(22) **Certificated salaries**	$20,181,180	$19,959,270			$221,910	$0
(23) **Certificated benefits**	$2,148,240	$2,130,101			$18,139	$0
(24) **Uncertificated salaries and wages**	$5,619,245	$3,467,051	$1,355,059	$95,998	$651,959	$49,178
(25) **Uncertificated benefits**	$1,380,394	$860,749	$300,989	$21,285	$130,825	$66,546
(26) **SUB - TOTAL**	$29,329,059	$26,417,171	$1,656,048	$117,283	$1,022,833	$115,724
(27) **Services, contracts & supplies**	$9,885,435	$3,012,346	$2,252,498	$4,047,171	$540,116	$33,304
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$852,460	$852,460				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$1,924,528	$0	$1,924,528	$0	$0	$0
(31) Unsupported	$634,319	$536,554	$73,568	$0	$24,197	$0
(32) Total Amortization	$2,558,847	$536,554	$1,998,096	$0	$24,197	$0
Interest on capital debt						
(33) Supported	$1,004,557	$0	$1,004,557	$0	$0	$0
(34) Unsupported	$12,566	$12,566	$0	$0	$0	$0
(35) Other interest charges	$0	$0	$0	$0	$0	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$43,642,924	$30,831,097	$6,911,199	$4,164,454	$1,587,146	$149,028
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($610,550)	($531,140)	($91,598)	$10,200	$1,988	$0

School Jurisdiction Code: 1155

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$660,212
Base Instruction (Gr 1-12)	$22,301,474
Outreach Programs	$104,040
Home Education	$0
Differential Cost Funding *	$9,787,482
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$0
Federal French Funding	$46,251
Provincial Priority Targeted Funding	
Class Size Initiative	$686,735
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$557,905
High Speed Networking	$30,579
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) OM 1,446,912, V.C 60,000, Micr Lic 5,029, Textbook 75,284, alt french 40,500	$1,627,725
Total Alberta Education Revenues	$35,802,403

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 1155

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,366,536	$853,238	$218,132		$0	$1,401,580	$3,839,486
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$201,175	$1,140,060	$239,658		$0		$1,580,893
ECS Program Unit (PUF)	$861	$224,732	$65,073		$0		$290,666
Severe Disabilities (Gr 1-12)	$1,415,541	$1,032,783	$3,286		$0		$2,451,610
English as a Second Language	$11,119	$0	$0		$0		$11,119
French Language Program & Francisation (all jurisdictions)	$176,064	$0	$0		$0		$176,064
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$277,432	$106,116	$170,557	$0	$0		$554,105
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$0	$0	$0		$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$18,640,643	$970,871	$2,099,716	$215,924	$0	$0	$21,927,154
TOTAL EXPENSES	$22,089,371	$4,327,800	$2,796,422	$215,924	$0	$1,401,580	$30,831,097

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	2.8	53.8
ECS Program Unit (PUF)	0.0	11.8
Severe Disabilities (Gr 1-12)	19.4	44.3

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 1155

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$43,642,924**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.81%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$2,099,225
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$2,099,225**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,587,146
PLUS: transfers to Restricted - Operating (Board/System Administration)	$6,500
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,593,646
MAXIMUM EXPENSE LIMIT	$2,099,225
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$505,579

School Jurisdiction Code: 1155

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$577,929
Source of Net School Generated Funds:				
Fundraising activities	$1,137,546	$518,848	$618,698	
Student fees (Non-Instructional) (Note 2)	$68,950		$68,950	
Donations and grants to schools	$90,006		$90,006	
Other (describe): Cafeteria	$147,390	$43,235	$104,155	
Net Additions to SGF	$1,443,892	$562,083		$881,809
Net SGF Available for Discretionary Spending				$1,459,738
Application of Net School Generated Funds:				
Extra-curricular activities			$238,583	
School beautification			$43,370	
Field Trips			$111,106	
Equipment			$28,071	
Family literacy and other community resources			$13,649	
Other (describe): Athletics, Student Leadership			$417,681	
Net SGF Expended for Discretionary Purposes (Note 3)				$852,460
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$607,278

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 1155

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$763,282	$505,526	$0	$1,442	$84,809	$1,355,059		$1,355,059
Uncertificated benefits	$166,052	$116,487	$0	$0	$18,450	$300,989		$300,989
Sub-total Remuneration	$929,334	$622,013	$0	$1,442	$103,259	$1,656,048		$1,656,048
Contracted Services	$300,284	$0	$0	$386,467	$14,597	$701,348		$701,348
Supplies	$103,867	$176,054	$0	$94,055	$0	$373,976		$373,976
Electricity			$508,853			$508,853		$508,853
Natural Gas/Heating Fuel			$417,456			$417,456		$417,456
Sewer and Water			$105,406			$105,406		$105,406
Telecommunications			$24,019			$24,019		$24,019
Insurance					$121,440	$121,440		$121,440
Amortization of capital assets								
Supported							$1,924,528	$1,924,528
Unsupported						$73,568		$73,568
Total Amortization						$73,568	$1,924,528	$1,998,096
Interest on capital debt								
Supported							$1,004,557	$1,004,557
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,333,485	$798,067	$1,055,734	$481,964	$239,296	$3,982,114	$2,929,085	$6,911,199
SQUARE METRES								
School Buildings								72,813.5
Non School Buildings								2,311.0
UNCERTIFICATED FTE'S (Board/Contract)	31.6	12.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1155

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Brent Romanchuk	1.0	$23,767	$1,923	$0			$25,690	$19,478
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Doreen Ford	0.9	$15,094	$1,601	$0			$16,695	$11,465
Name	Darcy Eddleston	0.9	$11,921	$3,509	$0			$15,430	$9,918
Name	Joyce Stewart	0.1	$1,573	$353	$0			$1,926	$241
Name	Richard Van Ee	1.0	$14,888	$4,313	$0			$19,201	$8,466
Name	Larry Bell	1.0	$17,037	$4,290	$0			$21,327	$7,371
Name	David A. Nelson	0.9	$12,755	$3,366	$0			$16,121	$7,129
Name	Lucky Hinton	1.0	$18,389	$4,337	$0			$22,726	$11,799
Name	Ches Spornitz	0.1	$1,742	$113	$0			$1,855	$408
Name	Dick Haydu	0.1	$1,198	$246	$0			$1,444	$92
Name	Lana Olsen	1.0	$14,454	$2,500	$0			$16,954	$8,045
Name	Gail Belanger	1.0	$15,563	$3,445	$0			$19,008	$7,710
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$148,381*	*$29,996*	*$0*			*$178,377*	*$92,122*
Superintendent	Jim Dalton	1.0	$119,724	$9,104	$0	$0	$0	$128,828	$10,117
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Greg Bass	1.0	$102,186	$9,035	$0	$0	$0	$111,221	$11,921
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Jens Byrgesen	1.0	$87,822	$16,065	$0	$0	$0	$103,887	$5,193
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		287.3	$19,959,270	$2,130,101	$0	$0	$0	$22,089,371	
Uncertificated Salaries & Wages		207.0	$5,383,042	$1,334,333	$0	$0	$0	$6,717,375	
TOTALS			**$25,800,425**	**$3,528,634**	**$0**	**$0**	**$0**	**$29,329,059**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 0151

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CALGARY ARTS ACADEMY SOCIETY
Legal Name of School Jurisdiction

4931 GROVE HILL ROAD SW, CALGARY, T3E 4G4
Mailing Address

Telephone (403-532-3020) and Fax (403-217-0965)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CALGARY ARTS ACADEMY SOCIETY (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Patricia M. Cavill — Name
"ORIGINAL SIGNED" — Signature

SUPERINTENDENT

Patrick Maguire — Name
"ORIGINAL SIGNED" — Signature

SECRETARY TREASURER OR TREASURER

Garry Schock — Name
"ORIGINAL SIGNED" — Signature

22-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

BDO
Driving growth

BDO Dunwoody LLP
Chartered Accountants
and Advisors

1900, 801 - 6 Avenue S.W
Calgary Alberta Canada T2P 3W2
Telephone: (403) 266-5608
Fax: (403) 233-7833
www.bdo.ca

Auditors' Report

To the Board of Directors
Calgary Arts Academy Society

We have audited the statement of financial position of Calgary Arts Academy Society as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets, and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BDO Dunwoody LLP

Chartered Accountants

Calgary, Alberta
November 21, 2005

BDO Dunwoody LLP *is a Limited Liability Partnership registered in Ontario*

School Jurisdiction Code: 0151

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$266,705	$129,677
Accounts receivable (net after allowances)		$73,397	$70,363
Prepaid expenses		$31,158	$21,173
Other current assets		$0	$0
Total current assets		$371,260	$221,213
School generated assets		$2,256	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$0		
Less: accumulated amortization	$0	$0	$0
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$0	$0
TOTAL ASSETS		$373,515	$221,213
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$69,911	$30,283
Deferred revenue		$92,061	$61,524
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$161,972	$91,807
School generated liabilities		$2,256	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$2,256	$0
TOTAL LIABILITIES		$164,228	$91,807
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$209,287	$129,406
Accumulated Operating Surplus (Deficit)		$209,287	$129,406
Investment in capital assets		$0	$0
Capital Reserves		$0	$0
Total Capital Funds		$0	$0
Total net assets		$209,287	$129,406
TOTAL LIABILITIES AND NET ASSETS		$373,515	$221,213

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0151

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$1,995,071	$1,831,124	$1,821,176
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$67,023	$75,300	$16,650
Transportation fees	$45,531	$50,800	$32,068
Other sales and services	$8,607	$0	$7,624
Investment income	$3,978	$0	$1,381
Gifts and donations	$1,923	$0	$1,377
Rentals of facilities	$950	$0	$0
Net school generated funds	$8,831	$0	$0
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$2,131,914	$1,957,224	$1,880,276
EXPENSES			
Certificated salaries	$692,650	$689,000	$555,876
Certificated benefits	$82,886	$67,877	$62,944
Uncertificated salaries and wages	$196,435	$188,050	$194,458
Uncertificated benefits	$17,838	$12,763	$23,386
Services, contracts and supplies	$1,053,393	$999,534	$914,206
Net school generated funds	$8,831	$0	$0
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Amortization of capital assets	$0	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$2,052,033	$1,957,224	$1,750,870
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$79,881	$0	$129,406
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$79,881	$0	$129,406

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0151

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$79,881	$129,406
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$0	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($3,034)	($70,363)
Prepaids and other current assets	($9,985)	($21,173)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$39,628	$30,283
Deferred revenue	$30,537	$61,524
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	
Total sources (uses) of cash from Operations	$137,028	$129,677
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$137,028	$129,677
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$129,677	$0
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$266,705	$129,677

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 0151

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$129,406	$0	$0	$129,406	$86,043	$0	$41,258	$0	$2,105	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$129,406	$0	$0	$129,406	$86,043	$0	$41,258	$0	$2,105	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	$79,881		$79,881											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		$0	$0											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($79,881)	$79,881	$67,001		($21,554)		($2,105)		$36,539		$0	
Net transfers from operating reserves			$0	$0	$35,935		$0		$0		($35,935)		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$209,287	$0	$0	$209,287	$188,979	$0	$19,704	$0	$0	$0	$604	$0	$0	$0

School Jurisdiction Code: 0151

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

1. Authority and Purpose of the Society

The Society delivers educational programs, operating as the Calgary Arts Academy and Research Center under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 2002. The Society was incorporated on May 1, 2001 under the Societies Act of Alberta. Through a charter established with the Minister of Learning the Society operates a charter school from a single location. The school provides education from Early Childhood Services to Grade 9. The Charter is up for renewal on August 31, 2008.

The Society receives block allocation for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the Society, within specified limits, to reallocate funding between the instruction and support blocks.

The Society is incorporated under the Societies Act of Alberta as a not-for-profit organization and as such is exempt from income taxes.

2. Significant Accounting Policies

The financial statements of the Society have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

(b) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school authority because the accountability and control/ownership of these funds rests with school authority officials or their appointee. Revenue from school generated funds is recognized as the related expenses are incurred.

(c) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

2. Significant Accounting Policies - Continued

(d) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Calgary Arts Academy Society does not make pension contributions for certificated staff.

(e) Contributed Services

Volunteers assist the school in carrying out certain activities. Because of the difficulty of determining their fair market value and of the fact that such assistance is generally not otherwise purchased, contributed services of this nature are not recognized in the financial statements.

(f) Financial Instruments

The Society's financial instruments consist of various assets and liabilities. Except for the fact that a large concentration of cash is deposited with a single financial institution, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted. The Society has invested surplus funds in accordance with section 60 of the School Act and Section 5 of the Trustees Act.

3. Short-term Investment

The Society has a twelve month, non-redeemable term deposit with First Calgary Savings and Credit Union, earning interest at 3% per annum, and maturing September 24, 2005.

4. Deferred Revenue

	2005	2004
Province of Alberta		
Alberta Learning funding	$ -	$ 12,098
Alberta Infrastructure funding	-	3,058
Calgary Board of Education Lease Commitments	8,229	-
AISI Project	9,044	-
	17,273	15,156
Parent fees received in advance	77,044	46,368
	$ 94,317	$ 61,524

5. Commitment

The Society leases one school and six portables from the Calgary Board of Education. The lease expires July 31, 2008. The Society's minimum annual lease payments for the next three years are as follows:

2006	$	307,736
2007	$	307,736
2008	$	281,668

6. Economic Dependence on Related Third Party

The Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

7. Budget Amounts

The 2005 Budget for the Society was approved by the Board and has been reported in the financial statements for information purposes only. These budget amounts have not been audited.

8. Transportation

During the year, a one time transportation grant of $47, 000 was received. Of this amount $35,935 was related to the prior years transportation deficit, and this amount was repaid by the transportation reserve to the instruction enhancement reserve during the 2004-2005 school year.

9. Comparative Amounts

The comparative figures for 2004 reflect financial activities for the 14 month period from July 1, 2003 through August 31, 2004. The 2004 Provincial grants were allocated over the 14 month period to allow for the preparation of school opening.

SCHEDULE A to the AFS

School Jurisdiction Cod 0151

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$1,576,232	$1,340,599	$179,534	$0	$56,100	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3)	Regular Operations & Maintenance support	$251,347		$251,347			
(4)	Other support	$58,911	$0	$58,911			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$310,259	$0	$310,259			
(6)	**Alberta Finance**	$0		$0			$0
(7)	**Other - Government of Alberta**	$108,580	$0	$0	$108,580	$0	$0
(8)	**Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$67,023	$67,023				
(13)	**Transportation fees**	$45,531			$45,531		
(14)	**Other sales and services**	$8,607	$8,607		$0	$0	$0
(15)	**Investment income**	$3,978	$3,978		$0	$0	$0
(16)	**Gifts and donations**	$1,923	$1,923		$0		$0
(17)	**Rentals of facilities**	$950	$0	$950	$0	$0	$0
(18)	**Net school generated funds**	$8,831	$8,831			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$0	$0	$0	$0		$0
(21)	**TOTAL REVENUES**	$2,131,914	$1,430,961	$490,742	$154,111	$56,100	$0
	EXPENSES						
(22)	**Certificated salaries**	$692,650	$692,650			$0	$0
(23)	**Certificated benefits**	$82,886	$82,886			$0	$0
(24)	**Uncertificated salaries and wages**	$196,435	$187,276	$0	$9,159	$0	$0
(25)	**Uncertificated benefits**	$17,838	$17,838	$0	$0	$0	$0
(26)	**SUB - TOTAL**	$989,809	$980,650	$0	$9,159	$0	$0
(27)	**Services, contracts & supplies**	$1,053,393	$347,881	$512,297	$108,413	$84,803	$0
(28)	**Cost recoveries & charges to programs**	$0	$26,598	$0	$0	($26,598)	$0
(29)	**Net school generated funds**	$8,831	$8,831				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$0	$0	$0	$0	$0	$0
(31)	Unsupported	$0	$0	$0	$0	$0	$0
(32)	Total Amortization	$0	$0	$0	$0	$0	$0
	Interest on capital debt						
(33)	Supported	$0	$0	$0	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$2,052,033	$1,363,960	$512,297	$117,572	$58,205	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$79,881	$67,001	($21,554)	$36,539	($2,105)	$0

School Jurisdiction Code: 0151

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$42,194
Base Instruction (Gr 1-12)	$1,149,439
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$133,395
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$2,195
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$40,898
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$28,577
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) The portion of O&M monies from April 2005 to August 2005	$179,534
Total Alberta Education Revenues	$1,576,232

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0151

SCHEDULE C the AFS
ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$724,083	$205,114	$319,303		$0	$0	$1,248,500
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$0	$0		$0		$0
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$0	$23,068	$5,509	$0	$0		$28,577
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$51,453	$0	$0	$0	$0		$51,453
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$0	$0	$0	$26,598	$8,831	$35,429
TOTAL EXPENSES	$775,536	$228,182	$324,813	$0	$26,598	$8,831	$1,363,960

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0151

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		$2,052,033

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	6.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$123,122
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$56,100	$123,122
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$123,122

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$58,205
PLUS: transfers to Restricted - Operating (Board/System Administration)	-$2,105
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$56,100
MAXIMUM EXPENSE LIMIT	$123,122
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$67,022

School Jurisdiction Code: 0151

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$0
Source of Net School Generated Funds:	Gross SGF	Related Expenses	Net SGF	
Fundraising activities	$11,087	$8,831	$2,256	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools			$0	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$11,087	$8,831		$2,256
Net SGF Available for Discretionary Spending				$2,256
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School beautification			$0	
Field Trips			$0	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$0
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$2,256

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0151

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$66,956	$45,366	$0	$0	$284,822	$397,144		$397,144
Supplies	$8,017	$0	$0	$0	$65,441	$73,458		$73,458
Electricity			$12,925			$12,925		$12,925
Natural Gas/Heating Fuel			$24,721			$24,721		$24,721
Sewer and Water			$611			$611		$611
Telecommunications			$0			$0		$0
Insurance					$3,438	$3,438		$3,438
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$74,973	$45,366	$38,256	$0	$353,701	$512,297	$0	$512,297
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modemization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modemization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 0151

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Patricia M. Cavill	0.0	$0	$0	$0			$0	$695
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Myke Archibald	0.0	$0	$0	$0			$0	$0
Name	Jane Matheson	0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*0.0*	*$0*	*$0*	*$0*			*$0*	*$695*
Superintendent	Joe Frank	0.9	$35,885	$0	$0	$0	$0	$35,885	$106
Superintendent	Patrick Maguire	0.1	$3,681	$0	$0	$0	$0	$3,681	$0
Secretary/Treasurer	Ursula Mergny	0.5	$30,942	$0	$0	$0	$0	$30,942	$0
Secretary/Treasurer	Garry Schock	0.5	$2,167	$0	$0	$0	$0	$2,167	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		0.0	$0	$0	$0	$0	$0	$0	
Uncertificated Salaries & Wages		0.0	$0	$0	$0	$0	$0	$0	
TOTALS			**$72,674**	**$0**	**$0**	**$0**	**$0**	**$72,674**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 0152

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Calgary Girls' School Society
Legal Name of School Jurisdiction

6304 Larkspur Way S.W, Calgary, AB
Mailing Address

(T)403-220-0745 (F)403-217-1371
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Calgary Girls' School Society
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Liz LoVecchio	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Ches Cowley	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Jan Jordan	"ORIGINAL SIGNED"
Name	**Signature**

21-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

PROSPERA
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees of Calgary Girls School Society
Jurisdiction 152

We have audited the statement of financial position of Calgary Girls School Society as at August 31, 2005 and the statements of revenues and expenses, changes in net assets, capital allocations, and cash flows for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurances as to whether the financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the audting procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Prospera CA.

Calgary, Alberta
December 20, 2005

PROSPERA CHARTERED ACCOUNTANTS

#670, 10201 Southport Road S.W.
Calgary, Alberta T2W 4X9
Telephone: (403) 252-5858 Fax: (403) 259-8416 www.partnersinprosperity.ca

School Jurisdiction Code: 0152

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$719,841	$239,976
Accounts receivable (net after allowances)		$200,314	$384,473
Prepaid expenses		$15,461	$4,432
Other current assets		$0	$0
Total current assets		$935,616	$628,881
School generated assets		$0	$4,815
Trust assets		$0	$239,976
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$122,504		
Less: accumulated amortization	($26,891)	$95,613	$122,504
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$95,613	$122,504
TOTAL ASSETS		$1,031,229	$996,176
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$23,653	$395,467
Deferred revenue		$127,647	$111,687
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$151,300	$507,154
School generated liabilities		$0	$4,815
Trust liabilities		$0	$239,976
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$0	$244,791
TOTAL LIABILITIES		$151,300	$751,945
NET ASSETS			
Unrestricted net assets		$784,316	$121,727
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$784,316	$121,727
Investment in capital assets		$95,613	$122,504
Capital Reserves		$0	$0
Total Capital Funds		$95,613	$122,504
Total net assets		$879,929	$244,231
TOTAL LIABILITIES AND NET ASSETS		$1,031,229	$996,176

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0152

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$3,154,811	$2,989,304	$1,873,071
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$32,075	$25,415	$13,137
Transportation fees	$138,620	$139,500	$58,885
Other sales and services	$0	$0	$5,199
Investment income	$8,144	$0	$1,132
Gifts and donations	$4,738	$750	$6,508
Rentals of facilities	$400	$0	$350
Net school generated funds	$4,426	$0	$4,545
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$3,343,214	$3,154,969	$1,962,827
EXPENSES			
Certificated salaries	$1,224,269	$1,389,213	$603,612
Certificated benefits	$96,482	$71,640	$58,553
Uncertificated salaries and wages	$72,819	$92,336	$65,310
Uncertificated benefits	$10,559	$12,600	$8,393
Services, contracts and supplies	$1,276,496	$1,589,180	$978,184
Net school generated funds	$0	$0	$4,545
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$26,891	$0	$0
Total Amortization of capital assets	$26,891	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$2,707,516	$3,154,969	$1,718,597
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$635,698	$0	$244,230
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$635,698	$0	$244,230

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0152

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$635,698	$244,230
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$26,891	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$184,159	($384,473)
Prepaids and other current assets	($11,029)	($4,432)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($371,814)	$395,468
Deferred revenue	$15,960	$111,687
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$479,865	$362,480
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	($122,504)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	($122,504)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$479,865	$239,976
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$239,976	$0
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$719,841	$239,976

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 0152

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$244,231	$122,504	$121,727	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$244,231	$122,504	$121,727	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	$635,698		$635,698											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($26,891)	$26,891											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$879,929	$95,613	$784,316	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 0152

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

1. AUTHORITY AND PURPOSES

The Calgary Girls' School Society (the "society") is a non-profit society incorporated under the Society's Act of Alberta. The society operates the Calgary Girls' School, which is a registered charter school under the Province of Alberta School Act. In addition, the society is a registered charitable organization with Canada Revenue Agency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies as follows:

School Generated Funds

These are funds which comeunder the control and responsibility of a school principal for school activities. They are usualy collected, retained and expended at the school level (e.g.year book, graduation fees and filed trip fees.)

Vacation Pay

Vacation pay is accrued in the period in which employees earn the benefit.

Prepaid Expenses

Certain expenditures incurred before the close of the school year are for school supplies which will be consumed subsequent to the year end and are accordingly recorded as prepaid expenses. certain insurance expenses also fall into this category.

Revenue recognition

The society uses the deferral method of recognizing contributions and fund raising which are reported as income in the year spent, except for funds designated as reserve funds created at the discretion of the Board of Directors.

Instruction and support allocations are recognized in the year to which they relate.

Unrestricted donations are recognized as revenue when received. Donations in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property and equipment

Property and equipment are recorded at cost. Amortization commences, subsequent to the period of purchase, over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	30%	straight-line method
Office equipment	20%	straight-line method

All building component repairs are expensed as incurred and only property and equipment assets with a cost in excess of $5,000 are capitalized.

Contributed services

Volunteers provide assistance to the school in carrying out certain activities. The value of the contributed services is not recognized in these financial statements as it is not possible to determine the fair value of such assistance.

Reserves for future expenditures

Reserves are established at the discretion of the board for future operating and capital expenditures. Transfers to and/or from capital reserves are shown as an adjustment to the capital equity.

Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the society does not make pension contributions for certified staff.

3. FINANCIAL INSTRUMENTS

The society's financial instruments consist of cash, short-term deposits, accounts receivable and accounts payable and accrued liabilities. It is management's opinion that the society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

4. ACCOUNTS RECEIVABLE

	2005	2004
Accounts receivable consist of the following:		
Alberta Infrastructure	$ 180,005	$ 371,111
GST recoverable	20,309	13,362
	$ 200,314	$ 384,473

5. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2005 Net book value	2004 Net book value
Computer equipment	$ 23,903	$ 7,171	$ 16,732	$ 23,903
Office equipment	98,601	19,720	78,881	98,601
	$ 122,504	$ 26,891	$ 95,613	$ 122,504

6. DEFERRED REVENUE

Deferred revenues represent funds received during the school year, which have not been taken into income during the school year in which the funds were received. These funds will be recognized as income when they are expended on approved projects. Deferred revenues are as follows:

	2005	2004
Transportation	$ 98,839	$ 72,439
Resource fees	28,808	14,625
Alberta initiative for school improvement	-	14,866
Merit pay	-	8,000
Student concessions	-	1,757
	$ 127,647	$ 111,687

These funds have been co-mingled with the Society's general bank account.

7. INTERNALLY RESTRICTED NET ASSETS

The board of directors has internally restricted the use of the unrestricted net assets to assist with future operating and capital expenditures.

8. DONATIONS

Donations received from sponsors and through the fund raising efforts of both the Board of Directors and the School Council consist of the following:

	2005	2004
Cash	$ 4,738	$ 6,508

9. LEASE COMMITMENTS

The Society entered into an operating lease agreement with the Calgary Board of Education on August 15, 2003. The first lease payment was due August 18, 2003. The lease expires on July 31, 2008. Lease payments are to be made as follows:

May 1, 2006	$ 38,671
August 1, 2006	348,043
May 1, 2007	38,671
August 1, 2007	348,043
May 1, 2008	38,671
	$ 812,099

10. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Calgary Girls' School Division's primary source of revenue is from the Alberta Government. The Division's ability to continue viable operations is dependent on this continued funding.

11. COMPARATIVE FIGURES

The comparative figures were audited by another firm of chartered accountants. Some figures have been reclassified to conform to the current year's presentation.

SCHEDULE A to the AFS

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Cod 0152

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$2,464,887	$2,291,782	$0	$173,105	$0	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3)	Regular Operations & Maintenance support	$689,924		$689,924			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$689,924	$0	$689,924			
(6)	**Alberta Finance**	$0		$0			$0
(7)	**Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$32,075	$32,075				
(13)	**Transportation fees**	$138,620			$138,620		
(14)	**Other sales and services**	$0	$0	$0	$0	$0	$0
(15)	**Investment income**	$8,144	$8,144	$0	$0	$0	$0
(16)	**Gifts and donations**	$4,738	$4,738	$0	$0		$0
(17)	**Rentals of facilities**	$400	$400	$0	$0	$0	$0
(18)	**Net school generated funds**	$4,426	$4,426			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$0	$0	$0	$0		$0
(21)	**TOTAL REVENUES**	$3,343,214	$2,341,565	$689,924	$311,725	$0	$0
	EXPENSES						
(22)	**Certificated salaries**	$1,224,269	$1,224,269			$0	$0
(23)	**Certificated benefits**	$96,482	$96,482			$0	$0
(24)	**Uncertificated salaries and wages**	$72,819	$72,819	$0	$0	$0	$0
(25)	**Uncertificated benefits**	$10,559	$10,559	$0	$0	$0	$0
(26)	**SUB - TOTAL**	$1,404,129	$1,404,129	$0	$0	$0	$0
(27)	**Services, contracts & supplies**	$1,254,357	$682,000	$233,764	$282,955	$55,638	$0
(28)	**Cost recoveries & charges to programs**	$22,139	$22,139	$0	$0	$0	$0
(29)	**Net school generated funds**	$0	$0				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$0	$0	$0	$0	$0	$0
(31)	Unsupported	$26,891	$0	$26,891	$0	$0	$0
(32)	Total Amortization	$26,891	$0	$26,891	$0	$0	$0
	Interest on capital debt						
(33)	Supported	$0	$0	$0	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$2,707,516	$2,108,268	$260,655	$282,955	$55,638	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$635,698	$233,297	$429,269	$28,770	($55,638)	$0

School Jurisdiction Code: 0152

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$0
Base Instruction (Gr 1-12)	$2,145,313
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$281,584
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$0
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$0
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$37,990
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe)	$0
Total Alberta Education Revenues	$2,464,887

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0152

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,320,751	$83,378	$682,000		$0	$0	$2,086,129
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$0	$0		$0		$0
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$0	$0	$0	$0	$22,139		$22,139
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$0	$0	$0	$0	$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$0	$0	$0	$0	$0	$0	$0
TOTAL EXPENSES	$1,320,751	$83,378	$682,000	$0	$22,139	$0	$2,108,268

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.0

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0152

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$2,707,516

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	6.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$162,451
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$56,100	$162,451
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$162,451

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$55,638
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$55,638
MAXIMUM EXPENSE LIMIT	$162,451
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$106,813

School Jurisdiction Code: 0152

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$4,815
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$4,426	$1,374	$3,052	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools			$0	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$4,426	$1,374		$3,052
Net SGF Available for Discretionary Spending				$7,867
Application of Net School Generated Funds:				
Extra-curricular activities			$7,867	
School beautification			$0	
Field Trips			$0	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$7,867
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0152

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$66,327	$48,969	$0	$0	$61,802	$177,098		$177,098
Supplies		$0	$0	$0	$2,175	$2,175		$2,175
Electricity			$20,917			$20,917		$20,917
Natural Gas/Heating Fuel			$27,452			$27,452		$27,452
Sewer and Water			$2,561			$2,561		$2,561
Telecommunications			$3,179			$3,179		$3,179
Insurance					$382	$382		$382
Amortization of capital assets								
Supported							$0	$0
Unsupported						$26,891		$26,891
Total Amortization						$26,891	$0	$26,891
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$66,327	$48,969	$54,109	$0	$64,359	$260,655	$0	$260,655
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 0152

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Subtotal	*0.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent Ches Cowley	0.0	$60,160	$0	$0	$0	$0	$60,160	$0
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Kathy Hager	0.0	$32,000	$4,640	$0	$0	$0	$36,640	$0
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	0.0	$1,224,269	$96,482	$0	$0	$0	$1,320,751	
Uncertificated Salaries & Wages	0.0	$40,819	$5,919	$0	$0	$0	$46,738	
TOTALS		**$1,357,248**	**$107,041**	**$0**	**$0**	**$0**	**$1,464,289**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 4010

AUDITED FINANCIAL STATEMENTS

and Supporting Schedules

FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CALGARY ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 1
Legal Name of School Jurisdiction

1000 - 5 AVENUE S.W., CALGARY, ALBERTA T2P 4T9
Mailing Address

Telephone (403) 298-1411 Fax (403) 265-5710
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CALGARY ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 1 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name: Cathie Williams
Signature: "Original Signed"

SUPERINTENDENT

Name: Jeremy Simms
Signature: "Original Signed"

SECRETARY TREASURER OR TREASURER

Name: Deborah Achen
Signature: "Original Signed"

Board-approved Release Date: 30-Nov-05

c.c. ALBERTA EDUCATION, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-4996

AUDITORS' REPORT

To the Board of Trustees of the
Calgary Roman Catholic Separate School District No. 1

We have audited the Statement of Financial Position of the **Calgary Roman Catholic Separate School District No. 1** as at August 31, 2005 and the Statements of Revenues and Expenses, Cash Flows, and Changes in Net Assets for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Calgary Roman Catholic Separate School District No. 1 as at August 31, 2005 and the results of its operations, its cash flows, and changes in its net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Ernst + Young LLP

Calgary, Canada
November 4, 2005

Chartered Accountants

School Jurisdiction Code: 4010

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$13,293,326	$20,414,581
Accounts receivable (net after allowances)		$26,403,715	$31,152,764
Prepaid expenses		$1,439,455	$540,177
Other current assets		$366,941	$373,444
Total current assets		$41,503,437	$52,480,966
School generated assets		$2,296,635	$2,987,806
Trust assets		$713,174	$1,154,126
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$4,002,888	$4,002,888
Buildings	$367,494,827		
Less: accumulated amortization	($138,332,375)	$229,162,452	$216,504,489
Equipment	$29,995,769		
Less: accumulated amortization	($17,863,058)	$12,132,711	$12,490,594
Vehicles	$1,427,424		
Less: accumulated amortization	($885,741)	$541,683	$556,368
Total capital assets		$245,839,734	$233,554,339
TOTAL ASSETS		$290,352,980	$290,177,237
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$28,428,835	$36,724,988
Deferred revenue		$1,900,574	$1,913,243
Deferred capital allocations		$2,818,460	$6,678,142
Current portion of all long term debt		$5,537,281	$5,872,642
Total current liabilities		$38,685,150	$51,189,015
School generated liabilities		$2,296,635	$2,987,806
Trust liabilities		$713,174	$1,154,126
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$20,370,075	$26,242,717
Less: Current portion of supported debt		($5,537,281)	($5,872,642)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$195,994,848	$176,561,921
Total long term liabilities		$213,837,451	$201,073,928
TOTAL LIABILITIES		$252,522,601	$252,262,943
NET ASSETS			
Unrestricted net assets		$3,039,138	$2,732,285
Operating Reserves		$5,279,674	$4,402,374
Accumulated Operating Surplus (Deficit)		$8,318,812	$7,134,659
Investment in capital assets		$29,474,810	$30,749,700
Capital Reserves		$36,757	$29,935
Total Capital Funds		$29,511,567	$30,779,635
Total net assets		$37,830,379	$37,914,294
TOTAL LIABILITIES AND NET ASSETS		$290,352,980	$290,177,237

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 4010

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$298,314,926	$285,481,721	$285,428,275
Federal Government and/or First Nations	$822,447	$758,050	$837,392
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$428,382	$289,000	$412,930
Transportation fees	$83,538	$198,560	$0
Other sales and services	$2,895,549	$2,949,000	$2,763,016
Investment income	$629,964	$750,000	$731,878
Gifts and donations	$618	$0	$1,743
Rentals of facilities	$1,698,881	$1,747,630	$1,787,062
Net school generated funds	$3,224,193	$2,300,000	$2,610,097
Gains on disposal of capital assets	$1,327	$0	$0
Amortization of capital allocations	$9,280,141	$9,353,779	$9,468,596
Total Revenues	$317,379,966	$303,827,740	$304,040,989
EXPENSES			
Certificated salaries	$176,517,094	$168,265,016	$168,447,660
Certificated benefits	$21,942,614	$19,999,756	$19,855,738
Uncertificated salaries and wages	$39,622,946	$39,164,506	$38,483,133
Uncertificated benefits	$9,565,439	$8,379,697	$8,932,671
Services, contracts and supplies	$52,581,746	$54,621,713	$52,983,677
Net school generated funds	$3,224,193	$2,300,000	$2,610,097
Capital and debt services			
Amortization of capital assets			
Supported	$9,280,141	$9,353,779	$9,468,596
Unsupported	$2,594,147	$2,439,618	$2,576,204
Total Amortization of capital assets	$11,874,288	$11,793,397	$12,044,800
Interest on capital debt			
Supported	$2,126,772	$2,126,772	$2,704,411
Unsupported	$0	$0	$0
Total Interest on capital debt	$2,126,772	$2,126,772	$2,704,411
Other interest charges	$8,789	$0	$0
Losses on disposal of capital assets	$0	$0	$4,757
Total Expenses	$317,463,881	$306,650,857	$306,066,944
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($83,915)	($2,823,117)	($2,025,955)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($83,915)	($2,823,117)	($2,025,955)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 4010

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($83,915)	($2,025,955)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($9,280,141)	($9,468,596)
Total amortization expense	$11,874,288	$12,044,800
Gains on disposal of capital assets	($1,327)	$0
Losses on sale of capital assets	$0	$4,757
Changes in accrued accounts:		
Accounts receivable	$4,749,049	($6,067,978)
Prepaids and other current assets	($892,775)	$273,702
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($8,296,153)	$7,960,295
Deferred revenue	($12,669)	($4,027,058)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,943,643)	($1,306,033)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($2,028)
Buildings	($22,316,855)	($22,177,105)
Equipment	($2,031,123)	($1,904,899)
Vehicles	($88,566)	($118,061)
Net proceeds from disposal of capital assets	$6,822	$68,945
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($24,429,722)	($24,133,148)
C. FINANCING ACTIVITIES		
Capital allocations	$19,252,110	$4,389,001
Issue of long term debt	$0	$0
Repayment of long term debt	($5,872,642)	($6,117,326)
Add back: supported portion	$5,872,642	$6,117,326
Other (describe)	$0	($39,010)
Total sources (uses) of cash from Financing activities	$19,252,110	$4,349,991
Net sources (uses) of cash during year	($7,121,255)	($21,089,190)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$20,414,581	$41,503,771
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$13,293,326	$20,414,581

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 4010

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$37,914,294	$30,749,700	$2,732,285	$4,432,309	$2,757,656	$29,935	$928,822	$0	$715,896	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$37,914,294	$30,749,700	$2,732,285	$4,432,309	$2,757,656	$29,935	$928,822	$0	$715,896	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	($83,915)		($83,915)											
Board funded capital transactions		$1,324,752	($1,324,752)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($11,874,288)	$11,874,288											
Amortization of capital allocations		$9,280,141	($9,280,141)											
Disposal of unsupported capital assets	$0	($5,495)	($1,327)	$6,822		$0		$6,822		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($877,300)	$877,300	$877,300		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$37,830,379	$29,474,810	$3,039,138	$5,316,431	$3,634,956	$29,935	$928,822	$6,822	$715,896	$0	$0	$0	$0	$0

School Jurisdiction Code: 4010

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$6,678,142	$176,561,921
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$6,678,142	$176,561,921
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$19,190,075	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$62,035	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$5,872,642
Expended capital allocations - current year	($23,111,792)	$23,111,792
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$271,366
Capital allocations amortized to revenue		$9,280,141
Balance at August 31, 2005	$2,818,460	$195,994,848

NOTES TO FINANCIAL STATEMENTS

August 31, 2005

1. AUTHORITY AND PURPOSE

Calgary Roman Catholic Separate School District No. 1 ("the District") was established under the authority of the School Act, Revised Statutes of Alberta, Chapter S-3, to provide education programs to The City of Calgary and surrounding areas.

The District receives instruction and support allocations under Regulation 77/2003 from the Province of Alberta and by way of municipal supplementary requisitions. The regulation allows for the setting of conditions and use of grant monies. The District is limited on certain funding allocations and administration expenses.

The District is considered a non-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the District have been prepared by management in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. Actual results could differ from these estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

Inventory

Inventory of supplies is carried at the lower of cost, determined on a first in, first out basis, and replacement cost.

School generated funds

Funds generated at the schools are included as assets, liabilities, revenue and expenditures of the District when the accountability, control and ownership of these funds rests with the District. Funds are raised through registration and other fees and fundraising activities and are expended for the stated purposes for which they were raised. School generated funds reflected as revenues are net of direct costs incurred to earn such revenues and represent funds available for discretionary purposes at the school level.

Capital assets

Capital assets are recorded at cost and depreciated on a straight-line basis over their estimated useful lives, commencing in the year following acquisition, as follows:

Buildings	10 to 40 years
Furniture, equipment and vehicles	5 to 10 years
Site development	20 years
Leasehold improvements	amortized over term of leases

Capital allocations received for asset additions are amortized into revenue over the same period as the depreciation expense.

Revenue recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Donations are recognized as revenue when received or receivable. Donated materials are recorded at fair market value when reasonably determinable, when they are used in the normal course of the District's operations and would otherwise have been purchased.

Capital allocations from the Province for the acquisition of capital assets or the repayment of debt originally incurred for the purpose of acquiring capital assets are recorded as unamortized capital allocations and amortized to revenue on the same basis as the capital assets acquired. Capital allocations received in advance of the investment in capital assets are recorded as deferred capital allocations and transferred to unamortized capital allocations when the capital assets are acquired.

Contributed services

Volunteers assist schools operated by the District in carrying out certain activities. Because of the difficulty in determining the fair value of the services and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the accompanying financial statements.

Financial instruments

The District has financial instruments consisting of cash and short-term investments, accounts receivable, accounts payable and accrued liabilities and long-term debt. The carrying values of these instruments approximates fair value.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Province of Alberta. Under the terms of the Teachers Pension Plan Act, the District does not make pension contributions for certificated staff.

The District participates in the multi-employer Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $2,620,355 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported a deficit of $1,288,924,000 (2003 - $1,453,487,000 deficit).

3. CASH AND SHORT-TERM INVESTMENTS

The short-term investments have maturity dates of 90 days or less. Short-term investments consist of bankers acceptances, term deposits and a bearer deposit note, bearing interest at 2.52% to 2.60%. Cash and short-term investments include $2,855,217 restricted for capital purposes.

4. ACCOUNTS RECEIVABLE

	2005 $	2004 $
Municipalities-supplementary requisitions	**11,807,227**	12,363,046
Province of Alberta	**11,426,951**	15,286,391
Federal Government	**645,999**	740,029
Other	**2,523,538**	2,763,298
	26,403,715	31,152,764

Other accounts receivable include $1,403,433 (2004 - $1,285,875) owing from the schools relating to funding provided by the District by way of loans to fund the purchase of textbooks for rental to students.

5. TRUST ASSETS AND LIABILITIES

These balances represent cash and short-term investments that are held in trust by the District for the Student Health Initiative (Banker Board).

6. CAPITAL ASSETS

	2005		
	Cost $	Accumulated Depreciation $	Net Book Value $
Buildings	326,640,055	130,932,442	195,707,613
Furniture, equipment and vehicles	30,528,949	18,748,799	11,780,150
Site development	18,736,120	6,709,926	12,026,194
Capital asset construction in progress	22,300,326	—	22,300,326
Land	4,002,888	—	4,002,888
Leasehold improvements	712,570	690,007	22,563
	402,920,908	157,081,174	245,839,734

	2004		
	Cost $	Accumulated Depreciation $	Net Book Value $
Buildings	309,973,727	122,338,336	187,635,391
Furniture, equipment and vehicles	29,640,420	17,169,242	12,471,178
Site development	15,146,446	6,101,449	9,044,997
Capital asset construction in progress	20,354,759	—	20,354,759
Land	4,002,888	—	4,002,888
Leasehold improvements	712,570	667,444	45,126
	379,830,810	146,276,471	233,554,339

The District is committed to further capital expenditures of approximately $10,989,000. It is anticipated that $10,964,000 of these costs will be funded by capital grants from the Province of Alberta.

7. CREDIT FACILITY

The District has a $3,500,000 revolving credit facility with interest at prime less 0.25% comprised of a $3,000,000 demand credit facility, and a $500,000 purchasing card facility. A temporary increase to the facility was granted to $25,000,000 for the period June 15, 2005 to September 15, 2005 after which time, the facility reverted to a limit of $3,500,000. A borrowing bylaw to a maximum of the District's accounts receivable as shown in the most recent audited financial statements, covering all revenue of the District, has been provided as collateral for this facility. None of the demand facility was outstanding at year end, and $94,338 was outstanding on the purchasing card facility.

NOTES TO FINANCIAL STATEMENTS

August 31, 2005

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005 $	2004 $
Province of Alberta	**14,736,409**	15,219,774
Federal Government	**22,996**	728,793
Alberta Municipalities	**55,874**	257,167
Other trade payables and accrued liabilities	**13,613,556**	20,519,254
	28,428,835	36,724,988

9. DEFERRED REVENUE

	2005 $	2004 $
Infrastructure Maintenance Program	**695,040**	—
Lease revenue	**307,840**	—
Alberta Initiative for School Improvement	**228,646**	344,445
Tuition revenue	**147,032**	128,170
Plant Operations & Maintenance	**144,752**	1,286,945
Class Size Initiative	**93,504**	—
Infrastructure portable relocation	**85,819**	89,799
Program Fee revenue	**84,375**	—
Program Unit Funding	**80,842**	36,384
Other	**32,724**	27,500
	1,900,574	1,913,243

10. LONG-TERM DEBT

Long-term debt is comprised of debentures issued to the Alberta Capital Finance Authority at interest rates ranging from 7.25% to 12% per annum which mature at various dates to 2020. All debenture principal and interest payments are fully supported (funded) by the Province of Alberta.

	2005 $	2004 $
Debentures	**20,370,075**	26,242,717
Less current portion	**(5,537,281)**	(5,872,642)
	14,832,794	20,370,075

Principal repayments required over each of the next five years and thereafter are as follows:

	$
2006	5,537,281
2007	5,211,654
2008	4,264,516
2009	2,097,143
2010	1,361,917
Thereafter	1,897,564
	20,370,075

11. RESERVES

Reserves are established at the discretion of the Board of Trustees of the District or externally and represent restricted net assets held for future operating and capital expenditures. These internally restricted net assets are not available for use without approval of the Board of Trustees.

	2005			
	Balance, beginning of year $	Appropriated $	Utilized $	Balance, end of year $
Operating				
Instructional	**2,757,656**	**877,300**	**—**	**3,634,956**
Plant operation and maintenance	**928,822**	**—**	**—**	**928,822**
Administration	**715,896**	**—**	**—**	**715,896**
	4,402,374	**877,300**	**—**	**5,279,674**
Capital	**29,935**	**6,822**	**—**	**36,757**
	4,432,309	**884,122**	**—**	**5,316,431**

	2004			
	Balance, beginning of year $	Appropriated $	Utilized $	Balance, end of year $
Operating				
Instructional	2,724,640	33,016	—	2,757,656
Plant operation and maintenance	928,822	—	—	928,822
Administration	1,687,338	—	(971,442)	715,896
	5,340,800	33,016	(971,442)	4,402,374
Capital	624,505	29,935	(624,505)	29,935
	5,965,305	62,951	(1,595,947)	4,432,309

12. SCHOOL GENERATED FUNDS

School generated funds included in the statement of revenue and expenditures are net of the costs of generating such funds and represent school generated funds available for discretionary spending purposes. Total revenues generated from these school activities amounted to $12,906,000 (2004 - $13,327,000).

13. STATEMENT OF CASH FLOWS

Net change in non-cash working capital

	2005 $	2004 $
Operating activities		
Accounts receivable	**3,563,339**	(5,550,880)
Inventory	**6,503**	11,788
Prepaid expenses	**(899,278)**	274,372
Accounts payable and accrued liabilities	**(5,588,785)**	5,716,961
Deferred revenue	**(12,669)**	(4,027,058)
Cash provided by (used in) operating activities	**(2,930,890)**	(3,574,817)
Investing activities		
Accounts receivable	**51,410**	(130,586)
Prepaid expenses	—	(12,458)
Accounts payable and accrued liabilities	**(2,398,538)**	2,556,806
Cash provided by (used in) investing activities	**(2,347,128)**	2,413,762
Financing activities		
Accounts receivable	**1,134,300**	(386,512)
Accounts payable and accrued liabilities	**(308,830)**	(313,472)
Cash provided by (used in) financing activities	**825,470**	(699,984)

14. SALARIES AND BENEFITS

	2005				2004
	Number	Salaries, Wages, and Accrued Vacation $	Benefits and Allowances $	Total $	Total $
Chair of Board	1	14,749	10,316	25,065	23,681
Other Board Members	6	83,621	54,667	138,288	123,869
Superintendent	1	169,981	30,799	200,780	171,020
Secretary-Treasurer	1	135,682	21,879	157,561	161,967
Salaries - Certificated	2,720	176,347,113	21,911,815	198,258,928	188,132,378
Salaries - Uncertificated	1,446	39,341,798	9,525,674	48,867,472	47,106,287
	4,175	216,092,944	31,555,150	247,648,094	235,719,202

15. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The District's primary source of revenue is from the Province of Alberta. The District's ability to continue its operations is dependent on this funding.

16. COMPARATIVE FIGURES

Certain 2004 figures have been reclassified to conform to 2005 presentation.

17. UNAUDITED INFORMATION

The budget information was prepared by the District's administration and was approved by the Board of Trustees. Budget amounts are presented for information purposes only and have not been audited.

The Statement of Capital Allocations and the supplementary Schedules A through G attached to these financial statements are presented by the District's administration as information for additional analysis purposes only. While such information has been derived from the District's accounting records, the Auditors' Report does not extend to this information.

SCHEDULE A to the AFS

School Jurisdiction Cod 4010

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$275,588,169	$243,094,468	$10,942,153	$9,642,581	$11,542,786	$366,181
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$3,695,273	$0	$3,695,273			
(3)	Regular Operations & Maintenance support	$16,808,612		$16,808,612			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$20,503,885	$0	$20,503,885			
(6)	**Alberta Finance**	$2,126,772		$2,126,772			$0
(7)	**Other - Government of Alberta**	$96,100	$67,500	$28,600	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$822,447	$724,568	$64,979	$0	$32,900	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$428,382	$428,382				
(13)	**Transportation fees**	$83,538			$83,538		
(14)	**Other sales and services**	$2,895,549	$511,657	$306,880	$2,058,080	$18,932	$0
(15)	**Investment income**	$629,964	$378,542	$126,222	$100,000	$25,200	$0
(16)	**Gifts and donations**	$618	$618	$0	$0		$0
(17)	**Rentals of facilities**	$1,698,881	$0	$500,000	$220,361	$68,000	$910,520
(18)	**Net school generated funds**	$3,224,193	$3,224,193			$0	
(19)	**Gains on disposal of capital assets**	$1,327	$1,327		$0	$0	$0
(20)	**Amortization of capital allocations**	$9,280,141	$0	$9,280,141	$0		$0
(21)	**TOTAL REVENUES**	$317,379,966	$248,431,255	$43,879,632	$12,104,560	$11,687,818	$1,276,701
	EXPENSES						
(22)	**Certificated salaries**	$176,517,094	$175,301,257			$1,215,837	$0
(23)	**Certificated benefits**	$21,942,614	$21,607,040			$335,574	$0
(24)	**Uncertificated salaries and wages**	$39,622,946	$22,758,638	$11,189,012	$209,857	$5,066,712	$398,727
(25)	**Uncertificated benefits**	$9,565,439	$5,789,141	$2,715,319	$38,729	$988,178	$34,072
(26)	**SUB - TOTAL**	$247,648,093	$225,456,076	$13,904,331	$248,586	$7,606,301	$432,799
(27)	**Services, contracts & supplies**	$52,581,746	$17,342,493	$17,922,411	$13,319,724	$3,406,786	$590,332
(28)	**Cost recoveries & charges to programs**	$0	$421,276	$0	($421,276)	$0	$0
(29)	**Net school generated funds**	$3,224,193	$3,224,193				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$9,280,141	$0	$9,280,141	$0	$0	$0
(31)	Unsupported	$2,594,147	$1,027,306	$645,977	$1,352	$665,942	$253,570
(32)	Total Amortization	$11,874,288	$1,027,306	$9,926,118	$1,352	$665,942	$253,570
	Interest on capital debt						
(33)	Supported	$2,126,772	$0	$2,126,772	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$8,789	$0	$0	$0	$8,789	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$317,463,881	$247,471,344	$43,879,632	$13,148,386	$11,687,818	$1,276,701
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($83,915)	$959,911	$0	($1,043,826)	$0	$0

School Jurisdiction Code: 4010

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$7,231,307
Base Instruction (Gr 1-12)	$203,731,990
Outreach Programs	$52,020
Home Education	$45,143
Differential Cost Funding *	$36,524,380
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$452,603
Federal French Funding	$387,390
Provincial Priority Targeted Funding	
Class Size Initiative	$8,094,497
Student Health Initiative (SHI)	$1,396,433
Alberta Initiative for School Improvement (AISI)	$5,364,701
High Speed Networking	$306,514
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) One-Time textbook,Microsoft license rebate,Excellence in Teaching,Italian Langu	$12,001,191
Total Alberta Education Revenues	$275,588,169

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 4010

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$17,908,884	$8,012,506	$1,491,685		$0	$0	$27,413,075
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$10,470,170	$7,008,542	$2,500,712		$0		$19,979,424
ECS Program Unit (PUF)	$0	$351,718	$271,703		$0		$623,421
Severe Disabilities (Gr 1-12)	$4,487,215	$3,003,661	$1,071,734		$0		$8,562,610
English as a Second Language	$3,675,954	$780,646	$213,176		$0		$4,669,776
French Language Program & Francisation (all jurisdictions)	$9,180,920	$488,483	$109,221		$0		$9,778,624
First Nations, Metis and Inuit Education (ECS - Gr 12)	$233,328	$87,396	$17,819		$0		$338,543
Home Education	$36,316	$0	$52,359		$0		$88,675
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$4,644,561	$516,520	$203,620	$0	$0		$5,364,701
Student Health Initiative	$0	$550,283	$479,969		$0		$1,030,252
High Speed Networking			$296,654		$0		$296,654
Class Size	$8,094,497	$0	$0	$0	$0		$8,094,497
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$138,176,452	$7,748,024	$8,616,027	$1,589,433	$421,276	$4,251,498	$161,231,092
TOTAL EXPENSES	$196,908,297	$28,547,779	$15,324,679	$1,589,433	$421,276	$4,251,498	$247,471,344

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	112.5	251.1
ECS Program Unit (PUF)	0.0	13.9
Severe Disabilities (Gr 1-12)	48.0	104.9

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 4010

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		**$317,463,881**
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses		
If "Total Net Enrolled Students" are 6,000 and over = 4%		**4.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%		

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expenses		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$12,698,555
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$12,698,555**
STEP 3		
Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)		
Actual Board Governance & System Administration expenses		$11,687,818
PLUS: transfers to Restricted - Operating (Board/System Administration)		$0
LESS: transfers from Restricted - Operating (Board/System Administration)		$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES		$11,687,818
MAXIMUM EXPENSE LIMIT		$12,698,555
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT		-$1,010,737

School Jurisdiction Code: 4010

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$2,987,806
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$2,990,165	$1,545,718	$1,444,447	
Student fees (Non-Instructional) (Note 2)	$4,700,711		$4,700,711	
Donations and grants to schools	$1,879,343		$1,879,343	
Other (describe):	$3,335,770	$8,827,249	($5,491,479)	
Net Additions to SGF	$12,905,989	$10,372,967		$2,533,022
Net SGF Available for Discretionary Spending				$5,520,828
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School beautification			$6,549	
Field Trips			$0	
Equipment			$705,032	
Family literacy and other community resources			$0	
Other (describe):			$2,512,612	
Net SGF Expended for Discretionary Purposes (Note 3)				$3,224,193
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$2,296,635

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 4010

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$9,396,111	$1,358,525	$0	$0	$434,376	$11,189,012		$11,189,012
Uncertificated benefits	$2,386,097	$244,927	$0	$0	$84,295	$2,715,319		$2,715,319
Sub-total Remuneration	$11,782,208	$1,603,452	$0	$0	$518,671	$13,904,331		$13,904,331
Contracted Services	$345,629	$5,929,339	$0	$3,581,588	$246,385	$10,102,941		$10,102,941
Supplies	$366,562	$649,589	$0	$0	$75,767	$1,091,918		$1,091,918
Electricity			$3,501,953			$3,501,953		$3,501,953
Natural Gas/Heating Fuel			$2,319,106			$2,319,106		$2,319,106
Sewer and Water			$482,726			$482,726		$482,726
Telecommunications			$150,546			$150,546		$150,546
Insurance					$273,221	$273,221		$273,221
Amortization of capital assets								
Supported							$9,280,141	$9,280,141
Unsupported						$645,977		$645,977
Total Amortization						$645,977	$9,280,141	$9,926,118
Interest on capital debt								
Supported							$2,126,772	$2,126,772
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$12,494,399	$8,182,380	$6,454,331	$3,581,588	$1,114,044	$32,472,719	$11,406,913	$43,879,632
SQUARE METRES								
School Buildings								453,897.8
Non School Buildings								26,700.0
UNCERTIFICATED FTE'S (Board/Contract)	255.2	33.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4010

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Ms Catherine Williams	1.0	$14,749	$3,269	$7,047			$25,065	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Mrs. Margaret Belcourt	1.0	$15,155	$4,398	$7,236			$26,789	$3,135
Name	Mrs. Linda Biasetti	0.0	$1,847	$392	$883			$3,122	$0
Name	Mrs. Lois Burke-Gaffney	1.0	$14,105	$1,099	$6,736			$21,940	$3,863
Name	Mrs. Maureen Emond	1.0	$13,173	$342	$6,294			$19,809	$1,870
Name	Mr. Gerald Adam Heighes	0.0	$1,806	$365	$927			$3,098	$133
Name	Mr. Michael O'Malley	1.0	$11,726	$1,029	$5,623			$18,378	$1,751
Name	Mr. Serafino Scarpino	1.0	$12,210	$3,773	$5,854			$21,837	$2,895
Name	Ms. Linda Wellman	1.0	$13,599	$3,219	$6,497			$23,315	$1,795
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$98,370*	*$17,886*	*$47,097*			*$163,353*	*$15,442*
Superintendent	Mr. Jeremy Simms	1.0	$169,981	$30,799	$0	$0	$0	$200,780	$19,573
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Ms. Deborah Achen	1.0	$135,682	$21,879	$0	$0	$0	$157,561	$11,771
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		2,720.0	$176,347,113	$21,911,815	$0	$0	$0	$198,258,928	
Uncertificated Salaries & Wages		1,446.0	$39,341,798	$9,525,674	$0	$0	$0	$48,867,472	
TOTALS			**$216,092,944**	**$31,508,053**	**$47,097**	**$0**	**$0**	**$247,648,094**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 3030

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CALGARY BOARD OF EDUCATION
Legal Name of School Jurisdiction

515 MACLEOD TRAIL S.E. CALGARY, AB T2G 2L9
Mailing Address

telephone: (403) 294-8211and Fax: (403) 294-8254
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CALGARY BOARD OF EDUCATION (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
GORDON DIRKS	**"ORIGINAL SIGNED"**
Name	Signature

SUPERINTENDENT	
DR. BRENDAN J. CROSKERY	**"ORIGINAL SIGNED"**
Name	Signature

SECRETARY TREASURER OR TREASURER	
DONALD M. DART	**"ORIGINAL SIGNED"**
Name	Signature

29-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

KPMG

KPMG LLP
Chartered Accountants
1200 205 - 5th Avenue SW
Calgary AB T2P 4B9

Telephone	(403) 691-8000
Fax	(403) 691-8008
Internet	www.kpmg.ca

AUDITORS' REPORT TO THE BOARD OF TRUSTEES

We have audited the statement of financial position of the Calgary Board of Education (the "Corporation") as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements, which are presented in the format prescribed by Alberta Education, are the responsibility of the Calgary Board of Education's Administration. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at August 31, 2005 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles and the presentation requirements of Alberta Education.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

KPMG LLP
Chartered Accountants

Calgary, Canada
November 8, 2005

KPMG LLP, a Canadian limited liability partnership is the Canadian member firm of KPMG International, a Swiss cooperative.

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004 Restated
ASSETS			
Current assets			
Cash and temporary investments		$56,302,885	$64,034,517
Accounts receivable (net after allowances)		$29,779,704	$21,445,550
Prepaid expenses		$2,194,746	$3,027,678
Other current assets		$33,184,578	$22,015,146
Total current assets		$121,461,913	$110,522,891
School generated assets		$11,530,559	$10,246,729
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$24,002,181	$13,248,713
Capital assets			
Land		$2,962,279	$2,962,279
Buildings	$605,352,949		
Less: accumulated amortization	($267,726,111)	$337,626,838	$323,974,619
Equipment	$96,090,599		
Less: accumulated amortization	($60,945,154)	$35,145,445	$31,434,337
Vehicles	$5,219,529		
Less: accumulated amortization	($3,366,804)	$1,852,724	$1,648,536
Total capital assets		$377,587,286	$360,019,771
TOTAL ASSETS		$534,581,939	$494,038,104
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$58,402,406	$62,302,860
Deferred revenue		$22,954,192	$13,123,739
Deferred capital allocations		$5,401,765	$1,992,323
Current portion of all long term debt		$8,978,662	$9,095,530
Total current liabilities		$95,737,025	$86,514,452
School generated liabilities		$11,530,559	$10,246,729
Trust liabilities		$0	$0
Employee future benefits liability		$23,984,012	$21,274,095
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$58,765,438	$67,636,911
Less: Current portion of supported debt		($8,756,522)	($8,871,473)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$2,475,943	$2,700,000
Mortgages		$0	$0
Less: Current portion of unsupported debt		($222,140)	($224,057)
Unamortized capital allocations		$273,556,372	$254,781,234
Total long term liabilities		$361,333,662	$347,543,439
TOTAL LIABILITIES		$457,070,687	$434,057,891
NET ASSETS			
Unrestricted net assets		$0	$25,976
Operating Reserves		$12,045,240	$0
Accumulated Operating Surplus (Deficit)		$12,045,240	$25,976
Investment in capital assets		$42,846,468	$35,814,878
Capital Reserves		$22,619,544	$24,139,359
Total Capital Funds		$65,466,012	$59,954,237
Total net assets		$77,511,252	$59,980,213
TOTAL LIABILITIES AND NET ASSETS		$534,581,939	$494,038,104

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 3030

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005 Restated	Actual 2004 Restated
REVENUES			
Government of Alberta	$699,589,657	$697,875,977	$655,437,440
Federal Government and/or First Nations	$1,442,676	$1,379,784	$1,534,790
Other Alberta school authorities	$1,046,166	$976,603	$1,249,541
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$1,036,225	$1,183,520	$1,047,388
Instruction resource fees	$7,168,006	$6,963,165	$6,931,440
Transportation fees	$4,557,042	$4,768,975	$4,576,884
Other sales and services	$18,256,323	$17,115,670	$18,190,161
Investment income	$3,161,790	$2,129,770	$2,229,322
Gifts and donations	$838,868	$776,455	$34,000
Rentals of facilities	$6,602,099	$5,736,123	$6,205,221
Net school generated funds	$9,104,084	$6,952,673	$6,723,453
Gains on disposal of capital assets	$39,535	$39,535	$3,612,042
Amortization of capital allocations	$14,186,836	$14,135,730	$13,311,745
Total Revenues	$767,029,307	$760,033,980	$721,083,427
EXPENSES			
Certificated salaries	$395,747,645	$397,011,761	$374,657,930
Certificated benefits	$49,337,970	$46,986,475	$46,728,756
Uncertificated salaries and wages	$120,810,913	$123,623,796	$111,720,230
Uncertificated benefits	$26,468,066	$27,484,127	$23,642,808
Services, contracts and supplies	$120,222,950	$127,971,575	$108,450,988
Net school generated funds	$9,104,084	$6,952,673	$6,723,453
Capital and debt services			
Amortization of capital assets			
Supported	$14,186,836	$14,135,730	$13,311,745
Unsupported	$7,030,746	$7,187,370	$6,880,107
Total Amortization of capital assets	$21,217,582	$21,323,100	$20,191,852
Interest on capital debt			
Supported	$6,445,137	$6,445,137	$7,397,643
Unsupported	$0	$0	$12,650
Total Interest on capital debt	$6,445,137	$6,445,137	$7,410,293
Other interest charges	$143,921	$219,717	$80,664
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$749,498,268	$758,018,361	$699,606,974
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$17,531,039	$2,015,619	$21,476,453
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$17,531,039	$2,015,619	$21,476,453

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 3030

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$17,531,039	$21,476,453
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($14,186,836)	($13,311,745)
Total amortization expense	$21,217,582	$20,191,852
Gains on disposal of capital assets	($39,535)	($3,612,042)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($8,334,154)	($879,326)
Prepaids and other current assets	($10,336,500)	$1,309,599
Long term accounts receivable	$0	$0
Long term investments	($10,753,468)	$0
Payables and accrued liabilities	($3,900,454)	$12,460,058
Deferred revenue	$9,830,453	($7,057,538)
Employee future benefit expense (recovery)	$2,709,917	$5,372,296
Other (describe) Adjustments for change in logn term investments,	$12,766,258	$0
Total sources (uses) of cash from Operations	$16,504,302	$35,949,607
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($26,941,336)	($30,112,564)
Equipment	($11,272,362)	($14,340,998)
Vehicles	($571,401)	($354,599)
Net proceeds from disposal of capital assets	$39,535	$3,612,042
Other (describe) Change in long term investments and working capi	($12,673,060)	($1,101,578)
Total sources (uses) of cash from Investing activities	($51,418,624)	($42,297,697)
C. FINANCING ACTIVITIES		
Capital allocations	$27,499,944	$18,360,185
Issue of long term debt	$0	$2,700,000
Repayment of long term debt	($9,095,530)	($9,637,859)
Add back: supported portion	$8,871,472	$9,234,579
Other (describe) Change in working capital components	($93,196)	($3,233,788)
Total sources (uses) of cash from Financing activities	$27,182,690	$17,423,117
Net sources (uses) of cash during year	($7,731,632)	$11,075,027
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$64,034,517	$52,959,490
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$56,302,885	$64,034,517

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 3030

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$59,980,213	$35,814,878	$25,976	$24,139,359	$0	$0	$0	$24,139,359	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug 31, 2004	$59,980,213	$35,814,878	$25,976	$24,139,359	$0	$0	$0	$24,139,359	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	$17,531,039		$17,[illegible],039											
Board funded capital transactions		$14,062,336	($7,034,554)	($7,027,782)	$0	$0	$0	($7,027,782)	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($21,217,582)	$21,217,582											
Amortization of capital allocations		$14,186,836	($14,186,836)											
Disposal of unsupported capital assets	$0	$0	($39,535)	$39,535		$0		$39,535		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($16,961,418)	$16,961,418	$7,310,217		$2,416,107		$3,195,336		$2,254,663		$1,785,095	
Net transfers from operating reserves			$4,916,178	($4,916,178)	($4,881,178)		$0		($35,000)		$0		$0	
Net transfers to capital reserves			($9,785,374)	$9,785,374		$0		$9,785,374		$0		$0		$0
Net transfers from capital reserves			$4,316,942	($4,316,942)		$0		($4,316,942)		$0		$0		$0
Balance at August 31, 2005	$77,511,252	$42,846,468	$0	$34,664,784	$2,429,039	$0	$2,416,107	$22,619,544	$3,160,336	$0	$2,254,663	$0	$1,785,095	$0

School Jurisdiction Code: 3030

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$1,992,323	$254,781,234
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$1,992,323	$254,781,234
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$27,212,324	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$20,580	
Other sources	$0	
Interest earned on provincial government capital allocations	$192,040	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$75,000	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$8,871,472
Expended capital allocations - current year	($24,090,502)	$24,090,502
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$14,186,836
Balance at August 31, 2005	$5,401,765	$273,556,372

CALGARY BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2005

1. ORGANIZATION

The Calgary Board of Education (the "Corporation") is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act* (Alberta). The Corporation is registered as a charitable organization under the *Income Tax Act* (Canada) and, therefore, is exempt from income tax and may issue official receipts for income tax purposes to donors.

The Corporation provides a full range of educational services for all instructional programs ranging from Kindergarten through Grade 12. In addition, the Corporation demonstrates its commitment to life-long learning by offering continuing education programs for adults.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements of the Corporation have been prepared in accordance with Canadian generally accepted accounting principles. A precise determination of many assets and liabilities is dependent upon future events and involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from these estimates or approximations. In administration's opinion, these financial statements have been prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

The financial operations of EducationMatters (formerly The Calgary Board of Education Foundation) (see Note 11 (b)) are not consolidated in these financial statements.

Budget information (unaudited) presented on the Statement of Revenue and Expense and on the related schedules is for information purposes only and represents the original budget submitted to Alberta Education, as amended during the fiscal year to reflect identified changes in circumstances relating to operating and program changes. The Board of Trustees approves the original budget and subsequent amendments.

(b) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash and short-term investments with original maturity of 90 days or less. Investments in cash equivalents are made in compliance with the *School Act, Trustee Act* or other authorization from Alberta Education.

(c) Investments

Investments are made in compliance with the *School Act, Trustee Act* or other authorization from Alberta Education. As well, in accordance with the Corporation's administrative regulations, investments are made only in companies that are socially responsible and ethically managed, as determined by the appointed external investment counsel.

Short-term investments consist of amounts to ensure the timely settlement of the Corporation's financial obligations. Investment recommendations are made with a maximum of a one-year view.

Long-term investments consist of amounts anticipated to be available for investment for a period of approximately three to five years, unless significant unforeseen factors occur.

Investments may consist of corporate and government bonds, treasury bills and money market investments. These investments are recorded as of the date of acquisition and are stated at cost plus accrued interest. In addition, long-term investments may also include equities and are recorded at cost. Gains on sales of investments are recognized in the year of disposal. Losses are recognized in the year of disposal or, for long-term investments, when there is an other-than-temporary impairment in the value of an investment. Interest and dividends are included in income on the accrual basis.

(d) Inventories

Inventories consist of maintenance and school supplies and are valued at the lower of average cost and replacement cost, or net realizable value. The inventory is recorded as an expense when items are shipped to schools or departments.

(e) Capital Assets and Capital Revenue

Capital assets are recorded at cost. Amortization is provided on a straight-line basis at rates which are intended to amortize the cost of the capital assets over their estimated useful lives. The amortization rates applied are as follows:

Land improvements	25 years
Buildings	40 years
Furniture and equipment	5-10 years

No amortization is provided on construction in progress, as these assets are not ready and available for use. Upon completion and placement into use, these assets are amortized in accordance with the Corporation's accounting policy.

Certain capital assets, including new school construction and major renovations (except administrative buildings and replacement of equipment and vehicles), are funded by Alberta Infrastructure and Transportation when approved, based on three-year capital plans. Capital grants for these assets are deferred and reflected in revenue over the lives of the related assets.

(f) Revenue Recognition

Revenues are recognized when they are earned. Grants received, restricted donations and fees collected, in advance of the provision or use of related services, are deferred.

Unrestricted cash donations are recognized as revenue when they are received. Donations of materials and services, that would otherwise have been purchased, are recorded at fair market value when an estimated fair market value can be reasonably determined.

Funds donated by individuals or organizations or contributed by the Corporation, for the purpose of establishing scholarships and bursaries, are accounted for as deferred revenues. Interest is calculated on each scholarship fund balance and is accrued for the benefit of the recipients of the fund. Payments from individual scholarships are made to the recipients of the scholarships and bursaries in accordance with the various scholarship agreements, and a corresponding amount is transferred to revenue at that time.

The annual amortization of capital assets funded by Alberta Infrastructure and Transportation is charged to expense and is offset by a corresponding amount of revenue arising from the recognition in that year of related capital grants.

Each year, volunteers contribute a considerable number of hours which support the delivery of certain programs within schools. Due to the difficulty of determining or otherwise estimating these hours and the fact that these services are not otherwise purchased, contributed services are not quantified and recognized in these financial statements.

(g) Proceeds on Disposal of Capital Assets

The proceeds on disposal of capital assets are applied to fund future capital assets. To the extent that these proceeds relate to provincially funded assets, the amount is recorded as unexpended capital grants until a provincially approved capital expenditure is made. To the extent that these proceeds relate to Corporation funded assets, the amount is reflected as income and a corresponding amount is transferred to capital reserves until a Board of Trustee approved capital expenditure is made.

Pursuant to Provincial regulations, the allocation is determined for each asset disposal based upon the relative contribution from the Province of Alberta and the Corporation to fund the original purchase of the disposed asset.

(h) School Generated Funds

These financial statements include funds arising from certain school and student activities which are controlled and administered locally by each school but for which the Corporation is accountable. When schools undertake fundraising and extra-curricular activities, the related costs are netted against the amount of recorded school generated funds revenue. Revenue from school generated funds is recognized as the related expenses are incurred.

(i) Pensions

The Corporation's certificated employees are required to contribute to the Teachers' Retirement Fund, a multi-employer pension plan. This defined benefit pension plan is the responsibility of the Province of Alberta and these employees. Accordingly, no disclosure has been made in these financial statements relating to the effects of participation in the pension plan by the Corporation's employees.

The Corporation and its uncertificated employees participate in the Local Authorities Pension Plan, a multi-employer pension plan. Pension costs included in these financial statements comprise the cost of employer contributions for current service of participating employees during the year.

During the fiscal year, the Corporation commenced a Supplemental Integrated Pension Plan (SiPP) for certain members of senior administration effective January 1, 2002. The plan provides a supplement to the Local Authorities Pension Plan or Teachers' Retirement Fund (as appropriate) to provide an annual retirement benefit of 2% of total earnings. The cost of this SiPP is sponsored by the Corporation and actuarially determined using the projected benefit method prorated on service and managements' best estimate of expected salary and benefit escalation, retirement ages of employees and plan investment performance. As at August 31, 2005 plan assets held in trust are invested in a mix of cash, bonds, Canadian and international equities. Plan assets are valued at cost, which approximates market value.

(j) Employee Future Benefit Plans

For employee future benefit plans other than pension plans, the Corporation accrues its obligations, and expenses the related costs, in accordance with the terms of various collective agreements and other contracts of employment. The cost of employee future benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of salary escalation, retirement ages of employees, and expected supplementary health care and dental care costs. The actuarially determined benefit obligation from the initial application of this policy is being amortized over the average remaining service period of employees active at September 1, 2000, the beginning of the fiscal year in which this policy was implemented. The balance of any unrecognized net plan experience, including changes in actuarial basis, in excess of 10% of the greater of the actuarial benefit obligation and the market value of plan assets is amortized over the average remaining service lifetime of the active members as of the applicable date. When changes to employee future benefit plans are negotiated, the related financial impacts are recognized when an agreement has been reached by the Corporation and the applicable group of employees.

The most recent actuarial valuation of the obligation was performed as at August 31, 2004.

(k) Financial Instruments

The Corporation's financial instruments consist of cash and cash equivalents, cash held by schools, short-term investments, accounts receivable, long-term investments, outstanding cheques, bank indebtedness, accounts payable and accrued liabilities, and long-term liabilities. It is administration's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted in Notes #3 and #11, as determined by market comparisons, the fair values of these financial instruments approximate their carrying values.

3. CASH AND CASH EQUIVALENTS, INVESTMENTS AND BANK INDEBTEDNESS

	2005				
		Investments at Cost			
	Cash and cash equivalents	Short-Term	Long-Term	Total	Market Value
Cash and Fixed Income Investments					
Bank balances (1)	$ 3,038,024	$ -	$ -	$ 3,038,024	$ 3,038,024
Outstanding cheques	(4,037,133)	-	-	(4,037,133)	(4,037,133)
Money market investments	57,301,995	30,856,778	2,128,930	90,287,703	90,507,659
Canadian bonds	-	-	9,917,244	9,917,244	10,100,736
Foreign bonds	-	1,500,000	-	1,500,000	1,499,550
Supplemental Integrated Pension Plan Assets (see note 9(b))	-	246,870	-	246,870	250,469
Restricted long-term investment (2)	-	-	2,700,000	2,700,000	2,700,000
Equity Investments					
Canadian equities	-	-	5,085,994	5,085,994	6,014,490
U.S. equity pooled funds	-	-	1,931,051	1,931,051	1,910,319
International equity pooled funds	-	-	2,238,962	2,238,962	2,199,096
Total at Cost	$ 56,302,886	$ 32,603,648	$ 24,002,181	$112,908,715	
Total at Market Value	$ 56,379,251	$ 32,746,654	$ 25,057,305		$114,183,210

(1) Bank balances includes $257,134 restricted for capital use.

(2) Restricted long-term investment relates to cash collateral requirements as a result of the capital lease entered into during the year ended August 31, 2004 (see Note 7).

	2004				
		Investments at Cost			
	Cash and cash equivalents	Short-Term	Long-Term	Total	Market Value
Cash and Fixed Income Investments					
Bank balances (1)	$ 491,271	$ -	$ -	$ 491,271	$ 491,271
Outstanding cheques	(832,854)	-	-	(832,854)	(832,854)
Money market investments	64,376,100	21,404,982	1,438,214	87,219,296	87,339,789
Canadian bonds	-	-	5,172,967	5,172,967	5,163,372
Restricted long-term investment (2)	-	-	2,700,000	2,700,000	2,700,000
Equity Investments					
Canadian equities	-	-	2,147,747	2,147,747	2,377,353
U.S. equity pooled funds	-	-	900,000	900,000	963,138
International equity pooled funds	-	-	889,785	889,785	987,813
Total at Cost	$ 64,034,517	$ 21,404,982	$ 13,248,713	$98,688,212	
Total at Market Value	$ 64,088,249	$ 21,468,296	$ 13,633,337		$ 99,189,882

General Operating and Other Bank Indebtedness

The Corporation maintains lines of credit that have been negotiated with its bankers for general operating purposes. As at August 31, 2005, no amount has been drawn against the Corporation's general operating line of credit.

Yields on current and long-term investments are as follows:

	2005		2004	
	Effective or Market Yield	Cost	Effective or Market Yield	Cost
Cash Equivalents				
Money Market Investments	2.64%	$57,302,886	2.18%	$64,376,100
Short-Term Investments				
Bonds	3.01%	1,500,000	-	-
Money Market Investments	2.73%	30,856,778	2.27%	21,404,982
Non-Registered Mutual Funds (SIPP)	1.84%	246,870	-	-
Long-Term Investments				
Money Market Investments	2.51%	2,128,930	2.09%	1,438,214
Bond maturity				
Within one year	-	-	2.00%	305,035
Two to five years	3.33%	2,916,150	-	-
More than five years	3.66%	7,001,094	4.32%	4,867,932
Canadian equities	1.89%	5,085,994	2.02%	2,147,747
U.S. equity pooled funds	1.35%	1,931,051	1.33%	900,000
International equity pooled funds	2.65%	2,238,962	2.68%	889,785

Additional Cash Flow Information

During the year ended August 31, 2005, cash interest paid on debenture and other debt amounted to $6,932,314 (2004 - $7,920,215) and cash interest earned on investments totaled $2,450,614 (2004 - $2,045,853).

4. OTHER CURRENT ASSETS

	2005	2004
Temporary investments with original maturities greater than 90 days	$ 32,603,650	$ 21,404,982
Inventory	580,928	610,163
	$33,184,578	$22,015,145

5. DEFERRED REVENUE

	2005	2004
Alberta Education operating grants		
Alberta Initiative for School Improvement	$ 3,937,356	$ 3,709,926
Operations & Maintenance support	3,103,736	-
Connecting Communities of Learners	288,184	-
School Curriculum Resources	184,632	-
REACH	178,464	-
Video Conferencing	100,000	-
Other Alberta Education revenue	85,448	71,696
Alberta Infrastructure grants		
Infrastructure Maintenance Program	6,449,403	1,472,380
Other organization and individual revenues	8,626,969	7,869,737
	$22,954,192	$13,123,739

6. EMPLOYEE FUTURE BENEFITS LIABILITY

(a) Local Authorities Pension Plan

The majority of the Corporation's uncertificated employees participate in the Local Authorities Pension Plan, a multi-employer pension plan. The Corporation's net pension expense for the year amounts to $7,250,647 (2004 - $5,955,348).

(b) Supplemental Integrated Pension Plan

During the 2004/05 school year, the Corporation commenced participation in a Supplemental Integrated Pension Plan for senior administrative staff comprised of both a registered and non-registered portion.

The Corporation's net pension expense for the registered portion for the year was $79,626. The net pension expense for the non-registered portion was $246,870 set up as both a liability and an offsetting asset amount for contributed funds held in trust. The Plan is fully funded by separately designated plan assets.

(c) Other Employee Future Benefits

The Corporation has a number of defined benefit plans providing post-employment and post-retirement benefits for supplementary health care, dental care, life insurance and retiring allowances. These plans are not funded by separately designated plan assets.

The Corporation measures its accrued benefit obligations for accounting purposes as at August 31 of each year. The most recent actuarial valuation of post-retirement and post-employment benefit plans was as of August 31, 2004. The next required valuation will be as of August 31, 2007.

The significant actuarial assumptions adopted in measuring the Corporation's employee future benefit obligation (based on a weighted average assumption of the various plans as of August 31, 2004, the date of the most recent actuarial valuation, extrapolated to August 31, 2005) are as follows:

Amortization method	Straight-line
Discount rate	4.85%
Supplementary health care cost escalation	9.5% for 2006, grading by 0.5% per year to an ultimate rate of 5.0%
Dental care cost escalation	4.0% per year
Provincial health care escalation	3.0%

During the 2004/05 fiscal year, the Corporation and Alberta Teachers Association, Local #38 (Calgary Public Teachers) reached a collective agreement for the period September 1, 2003 through August 31, 2007 which included certain amendments to the employees' post retirement benefit plan. The effects of the plan amendments are treated separately as both a negative plan amendment and a curtailment of the plan.

The actuarially determined liability for future employee benefits based on an extrapolation to August 31, 2005 is $46,681,000 (2004 - $56,275,000). To date, $23,737,141 (2004 - $21,274,095) has been accrued in these financial statements. The initial transitional obligation of $35,664,263 at September 1, 2000 is being amortized over the expected average remaining service period of the employee group, which was estimated to be 12 years. The unamortized transitional obligation of $23,776,175 on September 1, 2004 has been reduced by $16,348,000 to $7,428,175 to reflect the change in the accrued benefit obligation to teachers, and the remaining amount amortized over the balance of the original average remaining service period, which is 7 years. The total current year expense for employee future benefits amounts to $5,632,769 (2004 - $7,897,589), including current service costs of $1,041,000 (2004 - $1,984,376). During the year ended August 31, 2005, $3,169,723 (2004 - $2,525,293) was paid in respect of post-employment or post-retirement benefits.

7. LONG-TERM DEBT

Long-term debt relates to debentures for the acquisition of school buildings funded directly by Alberta Infrastructure and Transportation and to capital leases, approved by the Minister of Education for internally financed equipment purchases. Debentures are secured by all assets of the Corporation.

Debenture debt on school buildings, in the amount of $58,765,437 outstanding at August 31, 2005, bears interest at rates ranging from 7.25% to 12.00% with a weighted average rate of 10.21% per annum. Debenture interest expense on school buildings during the year amounted to $6,445,137 (2004 - $7,397,643). Debentures were issued for periods of 15, 20 or 25 years in those years prior to 1995 when the Corporation had local taxing authority. Fair value of this debt, calculated using discounted cash flow analyses with a discount rate equal to the prevailing market rate of interest for instruments having the same terms and characteristics, is $83,710,470. This fair value amount is provided for information purposes only. This debt is fully guaranteed by the Province of Alberta and Alberta Finance funds interest and principal payments.

In addition, the Corporation has entered into a capital lease for certain equipment. This obligation bears interest at the Royal Bank of Canada prime rate less 1.6% per annum and expires June 29, 2014.

The following is a summary by fiscal year of principal payments on debenture debt and on capital leases outstanding at August 31, 2005:

Year Ending	Debenture Debt	Capital Leases	Total
2006	$ 8,756,522	$ 222,140	$ 8,978,662
2007	8,611,998	227,708	8,839,706
2008	7,855,170	233,417	8,088,587
2009	6,490,037	239,268	6,729,305
2010	5,249,490	245,267	5,494,757
to maturity	21,802,220	1,308,143	23,110,363
Total	58,765,437	2,475,943	61,241,380
Current portion	8,756,522	222,140	8,978,662
Long-term portion	$ 50,008,915	$ 2,253,803	$ 52,262,718

Capital lease interest expense during the year amounted to $57,079 (2004 - $9,892).

8. CONTINGENCIES AND COMMITMENTS

From year to year, legal actions are brought against the Corporation in the normal course of operations. The ultimate resolutions of claims presently outstanding are not expected to be significant to the overall financial position of the Corporation.

The Corporation has an undertaking to eliminate its unrestricted operating deficit over a ten-year period ending August 31, 2010 (see note 9).

The Corporation has contractual commitments to complete major capital projects relating to school buildings. As at August 31, 2005, these outstanding contractual obligations amount to $23,879,081, all of which are expected to be funded by the Province of Alberta.

To the extent the Corporation does not complete certain contractual commitments to develop information technology infrastructure and other capital project initiatives, the Corporation would incur costs of $850,326.

The Corporation has entered into a fixed price electricity services agreement of a certain price for all of their total annual electrical consumption. This agreement expires on December 31, 2008.

The Corporation has entered into operating lease agreements for office space that expire through August 31, 2009. Future minimum annual lease payments under these leases are as follows:

2006	413,786
2007	425,892
2008	437,997
2009	338,566
	$ 1,616,241

Rent expense during the year amounted to $388,293 (2004 - $170,496).

See also Note 16 regarding subsequent event.

9. NET ASSETS

The components of the Corporation's net assets of $77,511,252 as at August 31, 2005 are described below:

(a) Unrestricted Net Assets

Under Alberta Education requirements, operating reserves may only be created or increased when a school board has an accumulated operating surplus. Alberta Education excludes school generated funds from this determination. However, where certain instructional initiatives are planned or in progress, and consistent with prior years, the Corporation has designated or reserved operating funds for specific purposes. These fund designations will be honoured in accordance with legislation or a Board of Trustees motion.

These funds are identified below as "restricted net assets – operating" in the amounts of $4,601,333 in the current year and $16,961,418 on a cumulative basis. In accordance with the requirements of Alberta Education, however, for financial statement purposes, the Statement of Changes in Net Assets reflects transfers of these funds from operating reserves to unrestricted net assets.

As at August 31, 2005, the Corporation has an accumulated operating surplus of $12,045,240 (2004 – an accumulated operating surplus of $25,976) comprised of the following:

	2005	2004
Unrestricted operating deficit	$ (4,916,178)	$ (12,334,109)
Restricted net assets - operating	16,961,418	12,360,085
	$ 12,045,240	$ 25,976

(i) Unrestricted Operating Deficit

Unrestricted operating surplus or, if negative, deficit represents the aggregation of successive years' annual unrestricted excesses and deficiencies of revenues over expenses. As at August 31, 2005, the Corporation's annual operating surplus is $7,417,932 (2004 - $4,216,376) and, as at August 31, 2005, the Corporation has an unrestricted accumulated operating deficit of $4,916,178 (2004 - $12,334,109).

In 1999, senior administration prepared a plan, approved by the Minister of Education, to eliminate its unrestricted accumulated operating deficit over a ten-year period, ending August 31, 2010. The minimum provision amount required per year is $2,600,000. Since the Minister of Education approved the plan in 1999, the Corporation is ahead of its deficit reduction objective as at August 31, 2005 by $8,067,823.

(ii) Restricted Net Assets – Operating

Restricted net assets – operating consists of designated funds and operating reserves, which are established through Provincial regulation or by Board of Trustees' approval. These restricted funds are set aside by the Board to provide funding for specific programs or to stabilize annual fee rates established to offset the cost of programs and services.

Restricted net assets – operating comprises the following:

	2005	2004
Designated Funds		
School decentralized budgets	$ 6,559,655	$ 3,842,961
Instructional programs	785,562	1,854,121
Total designated funds	7,345,217	5,697,082
Operating Reserves		
Transportation Fee Stabilization Reserve	$ 2,254,663	$ 3,314,603
Continuing Education Fee Stabilization Reserve	1,184,479	1,335,411
Music Loan Pool Reserve	600,616	478,020
Utility Expense Stabilization Reserve	2,416,107	1,534,969
Administrative Systems Renewal Reserve	3,160,336	-
Total operating reserves	9,616,201	6,663,003
Total restricted net assets - operating	$ 16,961,418	$ 12,360,085

As at August 31, 2005, the Board of Trustees has approved the use of $1,635,000 of the Transportation Reserve and $2,500,000 of the Administrative Systems Renewal Reserve in the 2005/06 operating budget.

(b) Capital Reserves and Designated Capital Funds

The Corporation's capital reserves, established by Board of Trustees' motion and in accordance with Provincial regulation, are funded from proceeds on disposals of capital assets, provision from operating funds or from lease revenues. In addition, capital funds have been designated by the Board of Trustees to permit the completion of capital projects that are budgeted but not yet complete. To date, the following capital reserves have been established:

	2005	2004
Unspent proceeds on disposal of capital assets	$ 10,980,111	$ 15,280,290
Capital reserve for school program modernization	2,500,000	-
Capital reserve for leased school buildings	2,000,000	1,961,623
Funds committed for approved capital projects	7,139,432	6,897,446
	$ 22,619,543	$ 24,139,359

These reserves are to be applied to finance future capital expenditures in accordance with the specific requirements of each of these reserve funds. Funds may be designated by the Board of Trustees from time to time to permit the completion of budgeted capital projects. As at August 31, 2005, the Board of Trustees has approved the use of $16,462,379 of these funds for future capital transactions leaving $6,157,164 uncommitted for future capital projects. These funds are committed as capital projects are approved.

(c) Investment in Capital Assets

Investment in capital assets represents the Corporation's net investment of operating funds that have been used from time to time to purchase capital equipment and technology infrastructure to support the general operating activities of the Corporation.

10. OTHER ALBERTA EDUCATION REVENUES (Schedule A)

Other Alberta Education revenues are comprised of the following:

	2005	2004
Textbooks-Classroom Resources funding	$ 2,067,368	$ -
Connecting Communities of Learners	567,216	-
Alberta Education Commissioning funding	-	9,142,392
Resources for Classroom funding	-	2,224,917
Grants for Piitoayis school	-	356,107
Charter School relocation funding		(605,278)
Staff secondments, contracts and other	488,623	393,851
	$ 3,123,207	$ 11,511,989

11. RELATED PARTIES

(a) Province of Alberta

The Corporation is economically dependent upon the Government of the Province of Alberta since the viability of its on-going operations depends on contributions from Alberta Education and other provincial ministries. Transactions between the Corporation and the Province of Alberta and related balances are disclosed in the Statement of Revenue and Expense, Balance Sheet and in the notes to the financial statements.

(b) EducationMatters

EducationMatters (formerly The Calgary Board of Education Foundation), (the "Foundation") was established by a trust indenture. The Corporation's Board of Trustees appoints the Governors of the Foundation, however Trustees cannot hold a majority of the Governor positions. The Foundation promotes activities that support public education for the benefit of Calgary's students.

The Foundation is not consolidated in these financial statements. The resources held by the Foundation are not necessarily limited for use by the Corporation. Selected financial information for the Foundation for the 12 months ended August 31 is as follows:

	2005	2004
Total assets	$ 1,172,000	$ 742,000
Total liabilities	4,000	-
Net assets	$ 1,168,000	$ 742,000
Fund balances held by the Foundation:		
Flow through funds	$ 318,000	$ 214,000
Endowment funds	436,000	187,000
Operating funds	414,000	341,000
	$ 1,168,000	$ 742,000
Revenues (1)	$ 1,358,000	$ 1,225,000
Expenses (2)	650,000	679,000
Excess of revenues over expenses	$ 708,000	$ 546,000

(1) Revenues include financial support from the Corporation of $200,000 (2004 - $nil).

(2) Charitable disbursements and expenses paid to the Corporation amount to $16,000 (2004 - $25,000).

(c) Other fundraising groups and associations

Various parent groups, including societies and other associations, solicit donations and undertake fundraising activities to provide operating and capital donations to further the objectives of the Corporation. The financial information of these groups is not consolidated in these financial statements.

12. COMPARATIVE FIGURES

Certain 2004 amounts have been reclassified where necessary to conform to the current year's presentation.

13. SUBSEQUENT EVENT

On October 14, 2005, the CBE signed a 10 year, $65,832,000 agreement with TELUS Sourcing Solutions (TSS) for the delivery of a number of the district's human resource (HR) services. The CBE is the first K-12 school district in the country to take this innovative approach to the management of its HR technology services.

SCHEDULE A to the AFS

School Jurisdiction Cod 3030

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$648,056,392	$570,284,653	$24,028,359	$23,735,676	$26,767,500	$3,240,204
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$6,576,539	$0	$6,576,539			
(3)	Regular Operations & Maintenance support	$37,984,932		$37,984,932			
(4)	Other support	$158,429	$0	$158,429			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$44,719,900	$0	$44,719,900			
(6)	**Alberta Finance**	$6,445,137		$6,445,137			$0
(7)	**Other - Government of Alberta**	$368,228	$92,092	$72,173	$0	$75,893	$128,070
(8)	**Federal Government and/or First Nations**	$1,442,676	$740,877	$46,937	$0	$44,735	$610,127
(9)	**Other Alberta school authorities**	$1,046,166	$845,276	$141,842	$54,048	$0	$5,000
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$1,036,225	$10,602	$591,861	$0	$0	$433,762
(12)	**Instruction resource fees**	$7,168,006	$7,168,006				
(13)	**Transportation fees**	$4,557,042			$4,557,042		
(14)	**Other sales and services**	$18,256,323	$10,082,939	$507,196	$5,412	$316,070	$7,344,706
(15)	**Investment income**	$3,161,790	$0	$0	$0	$0	$3,161,790
(16)	**Gifts and donations**	$838,868	$804,868	$0	$0		$34,000
(17)	**Rentals of facilities**	$6,602,099	$0	$4,137,632	$0	$37,405	$2,427,062
(18)	**Net school generated funds**	$9,104,084	$9,104,084			$0	
(19)	**Gains on disposal of capital assets**	$39,535	$0	$39,535	$0	$0	$0
(20)	**Amortization of capital allocations**	$14,186,836	$0	$14,186,836	$0		$0
(21)	**TOTAL REVENUES**	$767,029,307	$599,133,397	$94,917,408	$28,352,178	$27,241,603	$17,384,721
	EXPENSES						
(22)	**Certificated salaries**	$395,747,645	$391,903,597			$1,728,683	$2,115,365
(23)	**Certificated benefits**	$49,337,970	$48,586,434			$428,080	$323,456
(24)	**Uncertificated salaries and wages**	$120,810,913	$69,230,861	$31,232,694	$865,405	$14,915,650	$4,566,303
(25)	**Uncertificated benefits**	$26,468,066	$14,672,906	$7,672,191	$184,499	$3,086,014	$852,456
(26)	**SUB - TOTAL**	$592,364,594	$524,393,798	$38,904,885	$1,049,904	$20,158,427	$7,857,580
(27)	**Services, contracts & supplies**	$120,222,950	$49,631,986	$33,563,213	$28,401,658	$4,953,819	$3,672,274
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$9,104,084	$9,104,084				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$14,186,836	$0	$14,186,836	$0	$0	$0
(31)	Unsupported	$7,030,746	$4,500,999	$801,505	$0	$1,728,242	$0
(32)	Total Amortization	$21,217,582	$4,500,999	$14,988,341	$0	$1,728,242	$0
	Interest on capital debt						
(33)	Supported	$6,445,137	$0	$6,445,137	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$143,921	$0	$77,224	$0	($20,893)	$87,590
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$749,498,268	$587,630,867	$93,978,800	$29,451,562	$26,819,595	$11,617,444
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$17,531,039	$11,502,530	$938,608	($1,099,384)	$422,008	$5,767,277

School Jurisdiction Code: 3030

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$15,232,147
Base Instruction (Gr 1-12)	$456,409,463
Outreach Programs	$208,040
Home Education	$204,098
Differential Cost Funding *	$108,891,378
Other Provincial Support	
Institutional Programs	$2,681,402
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$2,672,988
Learning Resources Credit	$635,091
Federal French Funding	$788,703
Provincial Priority Targeted Funding	
Class Size Initiative	$18,667,598
Student Health Initiative (SHI)	$2,417,104
Alberta Initiative for School Improvement (AISI)	$11,600,815
High Speed Networking	$495,998
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) O&M, Resources for Schools,Video Conferencing, secondments, misc. contracts	$27,151,567
Total Alberta Education Revenues	$648,056,392

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 3030

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$44,090,770	$39,646,210	$16,684,977		$0	$0	$100,421,957
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$27,769,415	$9,593,128	$504,718		$0		$37,867,261
ECS Program Unit (PUF)	$369,658	$1,874,795	$256,146		$0		$2,500,599
Severe Disabilities (Gr 1-12)	$18,556,105	$18,484,132	$4,201,020		$0		$41,241,257
English as a Second Language	$11,496,352	$3,031,786	$140,124		$0		$14,668,262
French Language Program & Francisation (all jurisdictions)	$342,308	$41,368	$638,197		$0		$1,021,873
First Nations, Metis and Inuit Education (ECS - Gr 12)	$395,031	$585,827	$118,961		$0		$1,099,819
Home Education	$170,018	$27,891	$119,814		$0		$317,723
Institutional Programs	$1,858,501	$321,998	$583,542		$0		$2,764,041
Alberta Initiative for School Improvement	$7,820,836	$605,156	$2,867,272	$321,107	$0		$11,614,371
Student Health Initiative	$322,922	$1,181,835	$922,949		$0		$2,427,706
High Speed Networking			$495,998		$0		$495,998
Class Size	$18,412,966	$0	$0	$0	$0		$18,412,966
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$308,885,148	$8,509,643	$11,133,319	$10,643,841	$0	$13,605,083	$352,777,034
TOTAL EXPENSES	$440,490,030	$83,903,769	$38,667,037	$10,964,948	$0	$13,605,083	$587,630,867

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	366.3	224.3
ECS Program Unit (PUF)	2.4	37.4
Severe Disabilities (Gr 1-12)	243.5	423.5

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 3030

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$749,498,268**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$29,979,931
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$29,979,931**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$26,819,595
PLUS: transfers to Restricted - Operating (Board/System Administration)	$3,195,336
LESS: transfers from Restricted - Operating (Board/System Administration)	-$35,000
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$29,979,931
MAXIMUM EXPENSE LIMIT	$29,979,931
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 3030

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$10,246,729
Source of Net School Generated Funds:				
Fundraising activities	$10,839,872	$17,222,405	($6,382,533)	
Student fees (Non-Instructional) (Note 2)	$12,626,944		$12,626,944	
Donations and grants to schools	$3,962,696		$3,962,696	
Other (describe)	$180,807	$0	$180,807	
Net Additions to SGF	$27,610,319	$17,222,405		$10,387,914
Net SGF Available for Discretionary Spending				$20,634,643
Application of Net School Generated Funds:				
Extra-curricular activities			$6,769,155	
School beautification			$0	
Field Trips			$1,102,319	
Equipment			$1,232,610	
Family literacy and other community resources			$0	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$9,104,084
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$11,530,559

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 3030

SCHEDULE F to the AFS

Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$19,829,184	$6,623,065	$0	$912,947	$3,867,498	$31,232,694		$31,232,694
Uncertificated benefits	$4,901,005	$1,718,767	$0	$208,109	$844,310	$7,672,191		$7,672,191
Sub-total Remuneration	$24,730,189	$8,341,832	$0	$1,121,056	$4,711,808	$38,904,885		$38,904,885
Contracted Services	$633,705	$3,950,867	$411,945	$4,668,674	$572,093	$10,237,284		$10,237,284
Supplies	$1,552,874	$3,417,716	$0	$786,810	$226,807	$5,984,207		$5,984,207
Electricity			$8,295,180			$8,295,180		$8,295,180
Natural Gas/Heating Fuel			$7,043,242			$7,043,242		$7,043,242
Sewer and Water			$932,349			$932,349		$932,349
Telecommunications			$86,550			$86,550		$86,550
Insurance					$984,401	$984,401		$984,401
Amortization of capital assets								
Supported							$14,186,836	$14,186,836
Unsupported						$801,505		$801,505
Total Amortization						$801,505	$14,186,836	$14,988,341
Interest on capital debt								
Supported							$6,445,137	$6,445,137
Unsupported				$0		$0		$0
Other interest charges						$77,224		$77,224
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$26,916,768	$15,710,415	$16,769,266	$6,576,540	$6,495,109	$73,346,827	$20,631,973	$93,978,800
SQUARE METRES								
School Buildings								1,202,750.5
Non School Buildings								25,992.1
UNCERTIFICATED FTE'S (Board/Contract)	556.1	122.5						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 3030

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Gordon Dirks	1.0	$21,891	$1,006	$0			$22,897	$10,609
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Carol Bazinet	1.0	$17,906	$541	$0			$18,447	$8,307
Name	Nancy Close	1.0	$19,898	$911	$0			$20,809	$9,178
Name	Patricia Cochrane	1.0	$17,906	$816	$0			$18,722	$8,218
Name	Kyle Fawcett	0.8	$15,219	$688	$0			$15,907	$7,694
Name	Lynn Ferguson	0.8	$15,219	$688	$0			$15,907	$7,540
Name	George Lane	0.8	$15,219	$0	$0			$15,219	$6,859
Name	Lynn Nishimura	0.2	$7,438	$161	$0			$7,599	$1,643
Name	Carole Oliver	0.2	$5,118	$100	$0			$5,218	$1,238
Name	David Pickersgill	0.2	$7,032	$141	$0			$7,173	$1,441
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$142,846*	*$5,052*	*$0*			*$147,898*	*$62,727*
Superintendent		1.0	$194,965	$10,155	$10,000	$0	$0	$215,120	$3,469
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		1.0	$163,068	$19,743	$5,000	$0	$0	$187,811	$6,793
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		5,703.8	$395,459,322	$49,327,815	$0	$0	$83,358	$444,870,495	
Uncertificated Salaries & Wages		2,948.2	$119,740,118	$26,443,271	$45,883	$0	$718,998	$146,948,270	
TOTALS			**$515,700,319**	**$75,806,036**	**$60,883**	**$0**	**$802,356**	**$592,369,594**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 0045

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Calgary Science School Society
Legal Name of School Jurisdiction

5915 Lewis Drive SW Calgary, AB T3E 5Z4
Mailing Address

Telephone (403)282-2890 Fax(403) 282-2896
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Calgary Science School Society
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Donna Maxwell	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

Jim Toews/Louise Partridge	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Fern White	"ORIGINAL SIGNED"
Name	**Signature**

19-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

DAVID G. MARSHALL PROFESSIONAL CORPORATION

Chartered Accountant
Suite 501, 609 - 14th Street N.W.
CALGARY, ALBERTA T2N 2A1
(403) 228-3395
FAX (403) 228-9064

Auditor's Report

To the Board of Directors
Calgary Science School Society

I have audited the statement of financial position of the Calgary Science School Society as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, its cash flows, its net assets and its capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, presents fairly, in all material respects, in relation to the basic financial statements taken as a whole.

David G. Marshall

Calgary, Alberta
November 8, 2005

Professional Corporation
Chartered Accountant

School Jurisdiction Code: 0045

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$399,113	$260,277
Accounts receivable (net after allowances)		$103,400	$149,309
Prepaid expenses		$280,040	$181,756
Other current assets		$0	$0
Total current assets		$782,553	$591,342
School generated assets		$0	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	
Equipment	$341,134		
Less: accumulated amortization	($69,508)	$271,626	$243,662
Vehicles	$0		
Less: accumulated amortization	$0	$0	
Total capital assets		$271,626	$243,662
TOTAL ASSETS		$1,054,179	$835,004
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$70,528	$90,297
Deferred revenue		$412,693	$322,238
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$483,221	$412,535
School generated liabilities		$0	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$0	$0
TOTAL LIABILITIES		$483,221	$412,535
NET ASSETS			
Unrestricted net assets		$78,729	$34,395
Operating Reserves		$220,603	$144,412
Accumulated Operating Surplus (Deficit)		$299,332	$178,807
Investment in capital assets		$271,626	$243,662
Capital Reserves		$0	$0
Total Capital Funds		$271,626	$243,662
Total net assets		$570,958	$422,469
TOTAL LIABILITIES AND NET ASSETS		$1,054,179	$835,004

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0045

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$3,995,310	$3,962,923	$3,542,929
Federal Government and/or First Nations	$29,580	$32,411	
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$266,771	$166,000	$251,928
Transportation fees	$150,310	$159,750	$125,079
Other sales and services	$61,220	$0	$10,236
Investment income	$4,391	$5,000	$5,649
Gifts and donations	$3,993	$0	$5,695
Rentals of facilities	$630	$1,000	$6,375
Net school generated funds	$17,933	$126,550	$15,241
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	
Total Revenues	$4,530,138	$4,453,634	$3,963,132
EXPENSES			
Certificated salaries	$1,889,141	$1,650,308	$1,579,753
Certificated benefits	$153,169	$132,310	$121,260
Uncertificated salaries and wages	$221,715	$212,404	$177,389
Uncertificated benefits	$55,863	$45,259	$27,382
Services, contracts and supplies	$1,992,253	$2,239,052	$1,801,860
Net school generated funds	$0	$126,550	$15,241
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$69,508	$0	$0
Total Amortization of capital assets	$69,508	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$4,381,649	$4,405,883	$3,722,885
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$148,489	$47,751	$240,247
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$148,489	$47,751	$240,247

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0045

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$148,489	$240,247
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$69,508	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$45,909	$35,240
Prepaids and other current assets	($98,284)	($77,215)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($19,769)	($173,789)
Deferred revenue	$90,455	$46,111
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$236,308	$70,594
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	($97,472)	($243,662)
Vehicles	$0	$0
Net proceeds from disposal of capital assets		$0
Other (describe)		$0
Total sources (uses) of cash from investing activities	($97,472)	($243,662)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$0	$0
Net sources (uses) of cash during year	$138,836	($173,068)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$260,277	$433,345
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$399,113	$260,277

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 0045

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$422,469	$243,662	$34,395	$144,412	$63,766	$0	$29,190	$0	$19,182	$0	$32,274	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$422,469	$243,662	$34,395	$144,412	$63,766	$0	$29,190	$0	$19,182	$0	$32,274	$0	$0	$0
Surplus(def) of revenue over expense	$148,489		$148,489											
Board funded capital transactions		$97,472	($97,472)	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0													
Amortization of capital assets		($69,508)	$69,508											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($76,191)	$76,191	$30,000		$38,090		$0		$8,101		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$570,958	$271,626	$78,729	$220,603	$93,766	$0	$67,280	$0	$19,182	$0	$40,375	$0	$0	$0

School Jurisdiction Code: 0045

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2(	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

CALGARY SCIENCE SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

1. AUTHORITY AND PURPOSES

The Calgary Science School Society (the "Society") is a non-profit society incorporated under the Society's Act of Alberta. The Society operates the Calgary Science School, which is a registered charter school under the Province of Alberta School Act. In addition, the Society is a registered charitable organization with the Canada Revenue Agency. On January 20, 2005, the Society's Charter was renewed by Alberta Learning until August 31, 2009.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies as follows:

a) **Capital assets** - capital assets are recorded at cost. Amortization commences, subsequent to the year of purchase, over their estimated useful life on a straight-line basis at the following rates effective for the 2004 school year:

Computer equipment	30% per annum
Office equipment	20% per annum

All building component repairs are expensed as incurred and only capital assets with a cost in excess of $5,000 are capitalized.

b) **Revenue recognition** - the Society uses the deferral method of recognizing contributions and fund raising which are reported as income in the year spent, except for funds designated as reserve funds created at the discretion of the Board of Directors.

Instruction and support allocations are recognized in the year to which they relate.

Unrestricted donations are recognized as revenue when received. Donations in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the year in which the restriction is complied with.

c) **Contributed Services** - volunteers provide assistance to the School in carrying out certain activities. The value of the contributed services is not recognized in these financial statements as it is not possible to determine the fair value of such assistance.

CALGARY SCIENCE SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

2. SIGNIFICANT ACCOUNTING POLICIES Continued

d)School Generated Funds - included in other revenues of $25,718 are school generated funds of $2,933. These funds come under the control and responsibility of the school principal for school activities. They are usually collected, retained and expended at the school level.

e)Reserves for Future Expenditures - reserves are established at the discretion of the board for future operating and capital expenditures. Transfers to and/or from capital reserves are shown as an adjustment to the capital equity.

f)Pensions - The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Calgary Science School does not make pension contributions for certified staff.

g)Financial Instruments - the Society's financial instruments consist of cash, short-term deposits, accounts receivable and accounts payable and accrued liabilities. It is management's opinion that the Society is not exposed to significant interest or currency risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

h)Budget Figures - the budget figures shown on the statement of revenues and expenses have not been subjected to audit procedures.

3. SHORT-TERM DEPOSITS

Short-term deposits in the amount of $350,440 (2004 - $250,820) consist of a T-Bill savings account of $250,440 (2004 - $250,820) bearing interest at 1.658% (2004 - 1.34%) and a GIC of $100,000 (2004 - $NIL) bearing interest at 2.125%.

4. ACCOUNTS RECEIVABLE

		2005	**2004**
Accounts receivable consist of the following:			
Provincial Government grants receivable	**$ 68,754**	$ 118,013	
Miscellaneous		**761**	2,326
GST refundable		**33,885**	28,970
		$ 103,400	$ 149,309

CALGARY SCIENCE SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

5. CAPITAL ASSETS

	2005			2004
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer lab	$ 305,225	$ 62,326	$ 242,899	$ 207,753
Office equipment	35,909	7,182	28,727	35,909
	$ 341,134	$ 69,508	$ 271,626	$ 243,662

6. DEFERRED REVENUE

Deferred revenues represent funds received during the school year, which have not been taken into income during the school year in which the funds were received. These funds will be recognized as income when they expended on approved projects. Deferred revenues are as follows:

		2005	2004
Alberta Initiative for School Improvement	$ -	$ 11,107	
Alberta Instruction Grants		71,898	-
Enrichment fees		161,745	160,620
Transportation		162,892	141,940
Lunchroom Fees		13,575	4,920
Other		2,583	3,651
		$ 412,693	$ 322,238

These funds have been co-mingled with the Society's general bank account.

7. LONG-TERM COMMITMENTS

On September 16, 2005, the Society entered into a five year operating lease agreement with the Calgary Board of Education commencing August 1, 2005. This lease expires on July 31, 2009. Aggregate annual lease payment in each of the next five years are $764,713.

8. INTERNALLY RESTRICTED NET ASSETS

The excess of revenues over expenses for the year are designated as internally restricted net assets resulting from the Board passing a resolution implementing this policy.

CALGARY SCIENCE SCHOOL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

9. DONATIONS

Donations received from sponsors and through the fund raising efforts of both the Board of Directors and the School Council consist of the following:

	2004	2005
School planning project	$ 3,819	$ 4,000
Cash	-	1,695
	$ 3,819	$ 5,695

10. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Calgary Science School Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

11. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Directors. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS

School Jurisdiction Cod 0045

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$2,908,578	$2,550,566	$0	$197,135	$160,877	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$0	$0	$0			
(3) Regular Operations & Maintenance support	$1,086,732		$1,086,732			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$1,086,732	$0	$1,086,732			
(6) **Alberta Finance**	$0		$0			$0
(7) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(8) **Federal Government and/or First Nations**	$29,580	$29,580	$0	$0	$0	$0
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$266,771	$266,771				
(13) **Transportation fees**	$150,310			$150,310		
(14) **Other sales and services**	$61,220	$61,220	$0	$0	$0	$0
(15) **Investment income**	$4,391	$4,391	$0	$0	$0	$0
(16) **Gifts and donations**	$3,993	$3,993	$0	$0		$0
(17) **Rentals of facilities**	$630	$630	$0	$0	$0	$0
(18) **Net school generated funds**	$17,933	$17,933			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(21) **TOTAL REVENUES**	$4,530,138	$2,935,084	$1,086,732	$347,445	$160,877	$0
EXPENSES						
(22) **Certificated salaries**	$1,889,141	$1,846,405			$42,736	$0
(23) **Certificated benefits**	$153,169	$153,169			$0	$0
(24) **Uncertificated salaries and wages**	$221,715	$71,923	$83,304	$6,624	$59,864	$0
(25) **Uncertificated benefits**	$55,863	$25,145	$20,197	$0	$10,521	$0
(26) **SUB - TOTAL**	$2,319,888	$2,096,642	$103,501	$6,624	$113,121	$0
(27) **Services, contracts & supplies**	$1,992,253	$666,636	$945,141	$332,720	$47,756	$0
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$0	$0				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$69,508	$69,508	$0	$0	$0	$0
(32) Total Amortization	$69,508	$69,508	$0	$0	$0	$0
Interest on capital debt						
(33) Supported	$0	$0	$0	$0	$0	$0
(34) Unsupported	$0	$0	$0	$0	$0	$0
(35) Other interest charges	$0	$0	$0	$0	$0	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$4,381,649	$2,832,786	$1,048,642	$339,344	$160,877	$0
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$148,489	$102,298	$38,090	$8,101	$0	$0

School Jurisdiction Code: 0045

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$0
Base Instruction (Gr 1-12)	$2,527,759
Outreach Programs	
Home Education	$0
Differential Cost Funding *	$0
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$0
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$0
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$52,387
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe): Transportation & System Admin	$328,432
Total Alberta Education Revenues	$2,908,578

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0045

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$190,267	$88,645	$98,468		$0	$0	$377,380
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$0	$8,424	$5,991		$0		$14,415
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$29,887	$0	$22,499	$0	$0		$52,386
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$0	$0	$0	$0	$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$1,779,421	$0	$639,184		$0	$0	($30,000)
TOTAL EXPENSES	$1,999,575	$97,069	$766,142	$0	$0	$0	$414,181

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.0	0.0
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	0.0	0.6

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0045

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$4,381,649**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$262,899

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $56,100	$56,100	$262,899
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$262,899**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$160,877
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$160,877
MAXIMUM EXPENSE LIMIT	$262,899
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$102,022

School Jurisdiction Code: 0045

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$0
Source of Net School Generated Funds:				
Fundraising activities	$0	$0	$0	
Student fees (Non-Instructional) (Note 2)	$15,001		$15,001	
Donations and grants to schools	$0		$0	
Other (describe): Recycling/School Store/Lazer Shak	$2,932	$0	$2,932	
Net Additions to SGF	$17,933	$0		$17,933
Net SGF Available for Discretionary Spending				$17,933
Application of Net School Generated Funds:				
Extra-curricular activities			$0	
School beautification			$0	
Field Trips			$0	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe): Lunchroom/Recycling/School Store/Lazer Shak			$17,933	
Net SGF Expended for Discretionary Purposes (Note 3)				$17,933
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0045

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$41,652	$41,652	$0	$0	$0	$83,304		$83,304
Uncertificated benefits	$10,098	$10,099	$0	$0	$0	$20,197		$20,197
Sub-total Remuneration	$51,750	$51,751	$0	$0	$0	$103,501		$103,501
Contracted Services	$0	$855,016	$0	$0	$0	$855,016		$855,016
Supplies	$0	$0	$0	$0	$0	$0		$0
Electricity			$35,726			$35,726		$35,726
Natural Gas/Heating Fuel			$39,026			$39,026		$39,026
Sewer and Water			$4,986			$4,986		$4,986
Telecommunications			$4,096			$4,096		$4,096
Insurance					$6,291	$6,291		$6,291
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$51,750	$906,767	$83,834	$0	$6,291	$1,048,642	$0	$1,048,642
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	1.5	1.5						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modemization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modemization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005

(SECTION 148.1 OF THE SCHOOL ACT)

School Jurisdiction Code: 0045

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Donna Maxwell	0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Tom Collins	0.0	$0	$0	$0			$0	$0
Name	Torben Bech-Hansen	0.0	$0	$0	$0			$0	$0
Name	Jacqueline Benoit	0.0	$0	$0	$0			$0	$0
Name	Stuart Chalmers	0.0	$0	$0	$0			$0	$0
Name	Lorraine Chan	0.0	$0	$0	$0			$0	$0
Name	Rudy Gelderblom	0.0	$0	$0	$0			$0	$0
Name	Cathy Merrett	0.0	$0	$0	$0			$0	$0
Name	Shannon Palmer	0.0	$0	$0	$0			$0	$0
Name	Les Pearson	0.0	$0	$0	$0			$0	$0
Name	Debra Pylypiw	0.0	$0	$0	$0			$0	$0
Name	Dave Robinson	0.0	$0	$0	$0			$0	$0
Name	Doug Rogan	0.0	$0	$0	$0			$0	$0
Name	Gary Slywchuk	0.0	$0	$0	$0			$0	$0
Name	Anne Tingle	0.0	$0	$0	$0			$0	$0
Name	HsingChi Wang	0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*0.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent	Jim Toews	0.5	$21,368	$0	$0	$0	$0	$21,368	$0
Superintendent	Louise Partridge	0.5	$21,368	$0	$0	$0	$0	$21,368	$0
Secretary/Treasurer	Cindy Roettger	1.0	$59,864	$10,722	$0	$0	$0	$70,586	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		26.8	$0	$0	$0	$0	$0	$0	
Uncertificated Salaries & Wages		9.0	$0	$0	$0	$0	$0	$0	
TOTALS			$102,600	$10,722	$0	$0	$0	$113,322	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 3065

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Canadian Rockies Regional Division No. 12
Legal Name of School Jurisdiction

PO Box 748, Banff, AB, T1L 1K1
Mailing Address

403-609-6070 403-609-6071
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Canadian Rockies Regional Division No. 12
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Kim Bater — Name
"ORIGINAL SIGNED" — Signature

SUPERINTENDENT

Brian Callaghan — Name
"ORIGINAL SIGNED" — Signature

SECRETARY TREASURER OR TREASURER

Dave MacKenzie — Name
"ORIGINAL SIGNED" — Signature

10-Jan-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

MANKTELOW & COMPANY
CHARTERED ACCOUNTANT*

Banff:
P.O. Box 2040, 229 Bear St., Banff, Alberta, Canada, T1L 1B8
tel: 403-762-4488 • fax: 403-762-8581
email: firm@mccarockies.com

Canmore:
Suite 202, 502 Bow Valley Trail, Canmore, Alberta, Canada, T1W 1N9
tel: 403-609-9213 • fax: 403-609-9214
*denotes G.T. Manktelow Professional Corporation

AUDITOR'S REPORT

To The Board of Trustees
Canadian Rockies Regional Division No. 12

I have audited the statement of financial position of the Canadian Rockies Regional Division No. 12 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Manktelow & Company

Banff, Alberta
December 22, 2005

MANKTELOW & COMPANY
CHARTERED ACCOUNTANT

School Jurisdiction Code: 3065

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$1	$780,701
Accounts receivable (net after allowances)		$2,205,974	$1,705,872
Prepaid expenses		$569,273	$304,799
Other current assets		$0	$0
Total current assets		$2,775,247	$2,791,372
School generated assets		$244,958	$256,174
Trust assets		$75,314	$78,934
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$960,826	$960,825
Buildings	$42,094,042		
Less: accumulated amortization	($13,640,748)	$28,453,294	$29,372,861
Equipment	$5,275,447		
Less: accumulated amortization	($5,191,887)	$83,559	$75,486
Vehicles	$1,644,780		
Less: accumulated amortization	($999,085)	$645,695	$733,694
Total capital assets		$30,143,374	$31,142,866
TOTAL ASSETS		$33,238,893	$34,269,346
LIABILITIES			
Current liabilities			
Bank indebtedness		$100,069	$0
Accounts payable and accrued liabilities		$1,471,870	$1,497,919
Deferred revenue		$190,989	$139,744
Deferred capital allocations		$4,510	$95,159
Current portion of all long term debt		$722,949	$770,282
Total current liabilities		$2,490,387	$2,503,104
School generated liabilities		$244,958	$256,174
Trust liabilities		$75,314	$78,934
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$83,518	$0
Long term debt			
Supported:	Debentures and other supported debt	$8,392,280	$9,162,560
	Less: Current portion of supported debt	($722,949)	($770,282)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$19,955,120	$20,105,632
Total long term liabilities		$28,028,241	$28,833,018
TOTAL LIABILITIES		$30,518,627	$31,336,122
NET ASSETS			
Unrestricted net assets		$1,125	$10,452
Operating Reserves		$398,675	$523,675
Accumulated Operating Surplus (Deficit)		$399,801	$534,127
Investment in capital assets		$1,795,972	$1,874,671
Capital Reserves		$524,494	$524,427
Total Capital Funds		$2,320,466	$2,399,098
Total net assets		$2,720,266	$2,933,225
TOTAL LIABILITIES AND NET ASSETS		$33,238,894	$34,269,347

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 3065

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$17,753,496	$17,191,165	$17,176,495
Federal Government and/or First Nations	$2,029,066	$1,909,376	$1,949,864
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$171,494	$195,608	$213,905
Transportation fees	$0	$0	$0
Other sales and services	$213,610	$155,518	$202,419
Investment income	$14,415	$0	$13,753
Gifts and donations	$22,971	$0	$42,131
Rentals of facilities	$437,277	$120,000	$112,624
Net school generated funds	$274,072	$144,000	$92,858
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,011,443	$1,011,357	$1,014,666
Total Revenues	$21,927,844	$20,727,024	$20,818,715
EXPENSES			
Certificated salaries	$11,054,714	$10,392,785	$10,183,069
Certificated benefits	$1,183,568	$1,351,062	$1,081,093
Uncertificated salaries and wages	$3,141,902	$2,761,056	$3,010,277
Uncertificated benefits	$722,017	$635,043	$678,927
Services, contracts and supplies	$3,412,630	$3,092,727	$3,025,557
Net school generated funds	$274,072	$144,000	$92,858
Capital and debt services			
Amortization of capital assets			
Supported	$1,011,443	$1,011,357	$1,014,666
Unsupported	$172,003	$170,541	$197,561
Total Amortization of capital assets	$1,183,446	$1,181,898	$1,212,227
Interest on capital debt			
Supported	$1,168,455	$1,168,454	$1,272,706
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,168,455	$1,168,454	$1,272,706
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$22,140,803	$20,727,025	$20,556,714
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($212,959)	($1)	$262,001
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($212,959)	($1)	$262,001

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 3065

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($212,959)	$262,002
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,011,443)	($1,014,666)
Total amortization expense	$1,183,446	$1,212,227
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($500,102)	$383,940
Prepaids and other current assets	($264,474)	($12,575)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$57,469	($9,790)
Deferred revenue	$51,245	($37,084)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($696,818)	$784,054
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($90,649)	($322,311)
Equipment	($44,573)	($8,072)
Vehicles	($48,731)	($73,024)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($183,953)	($403,407)
C. FINANCING ACTIVITIES		
Capital allocations	$0	($89,839)
Issue of long term debt	$0	$0
Repayment of long term debt	($770,280)	($851,956)
Add back: supported portion	$770,282	$851,956
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$2	($89,839)
Net sources (uses) of cash during year	($880,769)	$290,808
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$780,701	$489,893
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	($100,068)	$780,701

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 3065

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1) TOTAL NET ASSETS Cols. 2+3+4	(2) INVESTMENT IN CAPITAL ASSETS	(3) UNRESTRICTED NET ASSETS	(4) TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	(5) INTERNALLY RESTRICTED NET ASSETS	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$2,933,225	$1,874,671	$10,452	$1,048,102	$236,403	$253,476	$287,273	$0	$0	$116,687	$0	$154,264	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$2,933,225	$1,874,671	$10,452	$1,048,102	$236,403	$253,476	$287,273	$0	$0	$116,687	$0	$154,264	$0	$0
Surplus(def) of revenue over expenses	($212,959)		($212,959)											
Board funded capital transactions		$93,304	($93,304)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($1,183,446)	$1,183,446											
Amortization of capital allocations		$1,011,443	($1,011,443)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$125,000	($125,000)	($125,000)		$0		$0		$0		$0	
Net transfers to capital reserves			($167,291)	$167,291		$30,560		$0		$0		$136,731		$0
Net transfers from capital reserves			$167,223	($167,223)		($44,573)		$0		($73,920)		($48,731)		$0
Balance at August 31, 2005	$2,720,266	$1,795,972	$1,125	$923,169	$111,403	$239,463	$287,273	$0	$0	$42,767	$0	$242,263	$0	$0

School Jurisdiction Code: 3065

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$95,159	$20,105,632
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$95,159	$20,105,632
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$770,282
Expended capital allocations - current year	($90,649)	$90,649
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,011,443
Balance at August 31, 2005	$4,510	$19,955,120

NOTES TO THE FINANCIAL STATEMENTS

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

b) Capital Assets

Capital Assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, Canadian Rockies Public Schools does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $ 134,467 for the Year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

f) Inventories
Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services
Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments
The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits
The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time

l) Investments
Investments are recorded at the lower of cost and market value.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Learning	$ 314,637	$ 168,860
Alberta Infrastructure and Transportation	$ 1,174,080	$ 1,085,030
Alberta Finance	$ -	$ -
Other Province of Alberta	$ -	$ -
Federal Government	$ 89,400	$ 69,542
First Nations	$ 369,644	$ 134,101
Alberta Municipalities	$ 3,923	$ 14,093
Other Alberta School Jurisdictions	$ 2,190	$ 623
Other	$ 252,099	$ 233,623
Total	$ 2,205,974	$ 1,705,872

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,500,000 that bears interest at the bank prime rate. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

5. ACCOUNTS PAYABLE AND LIABILITIES

	2005	2004
Alberta Learning	$ -	$ -
Alberta Infrastructure and Transportation	$ -	$ -
Alberta Finance	$ 303,636	$ 361,281
Other Province of Alberta	$ -	$ -
Federal Government	$ 178,639	$ 165,377
First Nations	$ -	$ -
Alberta Municipalities	$ 1,365	$ 3,817
Other Alberta School Jurisdictions	$ -	$ 7,394
Other Trade Payables and Accrued Liabilities	$ 988,230	$ 960,050
Total	$ 1,471,870	$ 1,497,919

6. DEFERRED REVENUE

	2005	2004
Infrastructure Maintenance Program	$ -	$ -
Alberta Initiative for School Improvement	$ -	$ -
Other	$ 190,989	$ 139,744
Total	$ 190,989	$ 139,744

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2005	2004
Deferred Salary Leave Plan	$ 83,518	$ -
Scholarship Trusts	$ 75,314	$ 78,934
Total	$ 158,832	$ 78,934

8. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2005-2006	$ 722,949	$ 807,184	$ 1,530,133
2006-2007	$ 703,949	$ 736,967	$ 1,440,916
2007-2008	$ 672,914	$ 668,764	$ 1,341,677
2008-2009	$ 661,074	$ 603,505	$ 1,264,579
2009-2010	$ 661,074	$ 539,318	$ 1,200,392
2010 to Maturity	$ 4,970,320	$ 2,220,414	$ 7,190,734
Total	$ 8,392,280	$ 5,576,150	$ 13,968,430

b) Capital Leases – Unsupported

There are currently no capital leases held by the jurisdiction.

c) Subsequent Event - Loans

The jurisdiction is purchasing photocopiers and computer equipment to be financed in September 2005 through demand loans with CIBC totaling $358,000. The loans are to be repaid in monthly installments of principle and interest totaling $15,700, ending July, 2007.

9. DEFERRED AND UNAMORTIZED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction are deferred until expended on the capital project for which they were received. When expended, these funds are transferred to unamortized capital allocations.

Unamortized capital allocations represent the jurisdiction's net investment in provincially funded capital assets. For provincially funded capital assets, funding (including debenture principal payment funding) is deferred and amortized into revenue over the life of the related capital assets. The annual amortization of such assets is charged to expense and offset by corresponding revenue arising from the amortization of capital allocations.

10. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures for the modernization at Lawrence Grassi School of approximately $12,000,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure and Transportation and Alberta Education.

11. CONTINGENCIES

a. The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Canadian Rockies Public Schools' primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

14. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 3065

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$14,832,247	$12,797,637		$1,179,979	$854,630	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$212,673	$0	$212,673			
(3) Regular Operations & Maintenance support	$1,500,688		$1,500,688			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$1,713,361	$0	$1,713,361			
(6) **Alberta Finance**	$1,168,455		$1,168,455			$0
(7) **Other - Government of Alberta**	$39,434	$27,737	$3,800	$0	$7,897	$0
(8) **Federal Government and/or First Nations**	$2,029,066	$1,647,601	$284,069	$0	$97,395	$0
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$171,494	$171,494				
(13) **Transportation fees**	$0			$0		
(14) **Other sales and services**	$213,610	$129,950	$0	$82,158	$1,502	$0
(15) **Investment income**	$14,415	$0	$0	$0	$14,415	$0
(16) **Gifts and donations**	$22,971	$22,971	$0	$0		$0
(17) **Rentals of facilities**	$437,277	$0	$437,277	$0	$0	$0
(18) **Net school generated funds**	$274,072	$274,072			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$1,011,443	$0	$1,011,443	$0		$0
(21) **TOTAL REVENUES**	$21,927,844	$15,071,463	$4,618,405	$1,262,138	$975,838	$0
EXPENSES						
(22) **Certificated salaries**	$11,054,714	$10,841,958			$212,756	$0
(23) **Certificated benefits**	$1,183,568	$1,148,958			$34,610	$0
(24) **Uncertificated salaries and wages**	$3,141,902	$1,468,029	$803,566	$564,344	$305,963	$0
(25) **Uncertificated benefits**	$722,017	$338,762	$181,815	$118,419	$83,020	$0
(26) **SUB - TOTAL**	$16,102,200	$13,797,707	$985,381	$682,764	$636,349	$0
(27) **Services, contracts & supplies**	$3,412,630	$1,234,135	$1,442,080	$396,925	$339,489	$0
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$274,072	$274,072				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$1,011,443	$0	$1,011,443	$0	$0	$0
(31) Unsupported	$172,003	$30,560	$4,712	$136,731	$0	$0
(32) Total Amortization	$1,183,446	$30,560	$1,016,156	$136,731	$0	$0
Interest on capital debt						
(33) Supported	$1,168,455	$0	$1,168,455	$0	$0	$0
(34) Unsupported	$0	$0	$0	$0	$0	$0
(35) Other interest charges	$0	$0	$0	$0	$0	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$22,140,803	$15,336,475	$4,612,071	$1,216,420	$975,838	$0
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($212,959)	($265,012)	$6,335	$45,718	$0	$0

School Jurisdiction Code: 3065

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$364,854
Base Instruction (Gr 1-12)	$9,735,984
Outreach Programs	$52,020
Home Education	$7,446
Differential Cost Funding *	$3,688,148
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$25,010
Federal French Funding	$47,599
Provincial Priority Targeted Funding	
Class Size Initiative	$394,620
Student Health Initiative (SHI)	$126,618
Alberta Initiative for School Improvement (AISI)	$277,137
High Speed Networking	$83,723
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Provincial Microsoft License and Classroom Resources	$27,087
Total Alberta Education Revenues	$14,832,247

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 3065

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$570,585	$316,010	$53,196		$0	$0	$939,791
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$622,472	$418,958	$34,367		$0		$1,075,798
ECS Program Unit (PUF)	$13,197	$113,157	$45,362		$0		$171,716
Severe Disabilities (Gr 1-12)	$389,045	$495,390	$33,485		$0		$917,920
English as a Second Language	$38,905	$14,154	$5,200		$0		$58,258
French Language Program & Francisation (all jurisdictions)	$1,551,511	$126,475	$73,745		$0		$1,751,732
First Nations, Metis and Inuit Education (ECS - Gr 12)	$38,905	$28,308	$4,705		$0		$71,917
Home Education	$4,715	$613	$3,570		$0		$8,899
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$295,437	$0	$5,700	$1,144	$0		$302,281
Student Health Initiative	$0	$82,241	$48,434		$0		$130,675
High Speed Networking			$54,123		$0		$54,123
Class Size	$408,497	$0	$28,595	$1,505	$0		$438,598
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$8,057,647	$211,485	$798,445	$42,559	$0	$0	$9,414,769
TOTAL EXPENSES	$11,990,916	$1,806,791	$1,188,927	$45,209	$0	$0	$15,336,475

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	8.0	14.8
ECS Program Unit (PUF)	0.2	4.0
Severe Disabilities (Gr 1-12)	5.0	17.5

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 3065

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$22,140,803**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**5.88%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,302,101

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	2,016	
	$401,472	$1,302,101
MAXIMUM EXPENSE LIMIT		**$1,302,101**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$975,838
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$975,838
MAXIMUM EXPENSE LIMIT	$1,302,101
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$326,262

School Jurisdiction Code: 3065

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$256,174
Source of Net School Generated Funds:				
Fundraising activities	$268,668	$111,860	$156,808	
Student fees (Non-Instructional) (Note 2)	$0		$0	
Donations and grants to schools	$106,048		$106,048	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$374,716	$111,860		$262,856
Net SGF Available for Discretionary Spending				$519,030
Application of Net School Generated Funds:				
Extra-curricular activities			$148,131	
School beautification			$0	
Field Trips			$78,491	
Equipment			$44,806	
Family literacy and other community resources			$2,644	
Other (describe):			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$274,072
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$244,958

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 3065

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$635,674	$29,402	$0	$0	$138,489	$803,566		$803,566
Uncertificated benefits	$145,223	$6,346	$0	$0	$30,246	$181,815		$181,815
Sub-total Remuneration	$780,898	$35,748	$0	$0	$168,735	$985,381		$985,381
Contracted Services	$35,305	$436,586	$0	$177,831	$17,952	$667,675		$667,675
Supplies	$72,361	$6,381	$0	$0	$1,434	$80,177		$80,177
Electricity			$365,115			$365,115		$365,115
Natural Gas/Heating Fuel			$283,071			$283,071		$283,071
Sewer and Water			$38,971			$38,971		$38,971
Telecommunications			$7,072			$7,072		$7,072
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$1,011,443	$1,011,443
Unsupported						$4,712		$4,712
Total Amortization						$4,712	$1,011,443	$1,016,156
Interest on capital debt								
Supported							$1,168,455	$1,168,455
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$888,564	$478,715	$694,229	$177,831	$188,122	$2,432,173	$2,179,898	$4,612,071
SQUARE METRES								
School Buildings								34,798.2
Non School Buildings								1,008.0
UNCERTIFICATED FTE'S (Board/Contract)	18.3	0.5						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3065

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Kim Bater	1.0	$11,366	$418	$0			$11,784	$888
Name	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Esme Comfort	0.9	$8,239	$278	$0			$8,516	$1,035
Richard Craig	1.0	$8,593	$281	$0			$8,874	$1,387
Judy Eshenko	0.1	$1,926	$52	$0			$1,978	$82
Amanda Kelly	1.0	$8,345	$269	$0			$8,614	$1,680
Shirley Ketterer	0.1	$1,404	$41	$0			$1,444	$130
Fiona Mactaggart	0.9	$8,494	$291	$0			$8,785	$1,933
Jane Neil	0.9	$9,454	$338	$0			$9,792	$1,953
Sheila Snowsell	1.0	$9,992	$350	$0			$10,342	$1,425
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
	0.0	$0	$0	$0			$0	$0
Subtotal	6.9	*$67,812*	*$2,317*	*$0*			*$70,130*	*$10,514*
Superintendent Brian Callaghan	1.0	$120,462	$28,445	$0	$0	$0	$148,906	$50,089
	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Dave MacKenzie	1.0	$80,698	$15,212	$0	$0	$0	$95,910	$1,370
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	145.0	$10,934,252	$1,155,123	$0	$0	$0	$12,089,376	
Uncertificated Salaries & Wages	100.0	$2,993,391	$704,487	$0	$0	$0	$3,697,879	
TOTALS		**$14,196,616**	**$1,905,585**	**$0**	**$0**	**$0**	**$16,102,200**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 6019

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CAPE - Centre for Academic and Personal Excellence Institute
Legal Name of School Jurisdiction

830 A Balmoral Street S.E. Medicine Hat, AB T1A 0W9
Mailing Address

Telephone (403) 528-2983 Fax (403) 528-3048
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CAPE - Centre for Academic and Personal Excellence Institute (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Mr. Warren Malinowski	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
Dr. Robert Lowery	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Mrs. Judy Herring	"ORIGINAL SIGNED"
Name	Signature

28-Nov-05
Board-approved Release Date

c.c. ALBERTA EDUCATION, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

JOHNSTON
MORRISO
HUNTER
& Co. LLI

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS
CAPE – CENTRE FOR ACADEMIC AND PERSONAL EXCELLENCE INSTITUTE

We have audited the statement of financial position of **CAPE – Centre for Academic and Personal Excellence Institute** as at August 31, 2005 and the statements of revenues and expenses, cash flows, and changes in net assets for the year then ended. These financial statements are the responsibility of the charter school's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the charter school derives revenues from certain fundraising activities, the completeness of which is not readily susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the charter school and we were not able to determine whether any adjustments might be necessary to school generated funds, surplus (deficiency) of revenues over expenses, assets, liabilities and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the fundraising activities referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the charter school as at August 31, 2005 and the results of its operations, its cash flows, and changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Johnston Morrison Hunter & Co. LLP

CHARTERED ACCOUNTANTS

MEDICINE HAT, ALBERTA
NOVEMBER 28, 2005

School Jurisdiction Code: 6019

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$13,283	$13,891
Accounts receivable (net after allowances)		$92,390	$42,652
Prepaid expenses		$30,803	$22,966
Other current assets		$0	$0
Total current assets		$136,476	$79,509
School generated assets		$2,299	$1,390
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$582,858	$584,447
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$87,847		
Less: accumulated amortization	($28,784)	$59,063	$67,459
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$59,063	$67,459
TOTAL ASSETS		$780,696	$732,805
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$137,631	$83,343
Deferred revenue		$39,949	$928
Deferred capital allocations		$0	$0
Current portion of all long term debt		$8,823	$13,227
Total current liabilities		$186,403	$97,498
School generated liabilities		$2,299	$1,390
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$5,000	$20,000
Capital Leases		$14,505	$21,242
Mortgages		$0	$0
Less: Current portion of unsupported debt		($8,823)	($13,227)
Unamortized capital allocations		$0	$0
Total long term liabilities		$12,981	$29,405
TOTAL LIABILITIES		$199,384	$126,903
NET ASSETS			
Unrestricted net assets		$541,753	$579,685
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$541,753	$579,685
Investment in capital assets		$39,559	$26,217
Capital Reserves		$0	$0
Total Capital Funds		$39,559	$26,217
Total net assets		$581,312	$605,902
TOTAL LIABILITIES AND NET ASSETS		$780,696	$732,805

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6019

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005 Restated	Actual 2004
REVENUES			
Government of Alberta	$1,215,053	$1,163,424	$1,118,187
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$5,900	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$5,850	$0	$12,723
Transportation fees	$0	$0	$0
Other sales and services	$46,865	$54,900	$50,885
Investment income	$33,345	$32,500	$34,989
Gifts and donations	$17,119	$15,000	$10,979
Rentals of facilities	$0	$0	$0
Net school generated funds	$8,153	$0	$6,203
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$1,332,285	$1,265,824	$1,233,966
EXPENSES			
Certificated salaries	$575,604	$604,000	$551,164
Certificated benefits	$85,329	$74,000	$77,018
Uncertificated salaries and wages	$171,231	$133,000	$155,485
Uncertificated benefits	$21,116	$18,000	$20,129
Services, contracts and supplies	$483,619	$405,824	$441,036
Net school generated funds	$8,153	$0	$6,203
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$8,790	$23,200	$6,986
Total Amortization of capital assets	$8,790	$23,200	$6,986
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$2,997	$7,500	$1,724
Total Interest on capital debt	$2,997	$7,500	$1,724
Other interest charges	$36	$300	$637
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$1,356,875	$1,265,824	$1,260,382
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($24,590)	$0	($26,416)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($24,590)	$0	($26,416)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 6019

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($24,590)	($26,416)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$8,790	$6,986
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($49,738)	$6,031
Prepaids and other current assets	($7,837)	$7,043
Long term accounts receivable	$0	$0
Long term investments	$1,589	$11,275
Payables and accrued liabilities	$54,288	$23,068
Deferred revenue	$39,021	($8,777)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$21,523	$19,210
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	($394)	($17,640)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($394)	($17,640)
C. FINANCING ACTIVITIES		
Capital allocations	$0	$0
Issue of long term debt	$0	$17,640
Repayment of long term debt	($21,737)	($11,912)
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	($21,737)	$5,728
Net sources (uses) of cash during year	($608)	$7,298
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$13,891	$6,593
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$13,283	$13,891

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 6019

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$605,902	$26,217	$579,685	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$605,902	$26,217	$579,685	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	($24,590)		($24,590)											
Board funded capital transactions		$395	($395)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($8,790)	$8,790											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$21,737	($21,737)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$581,312	$39,559	$541,753	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 6019

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$0	$0
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$0	$0
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$0	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$0
Expended capital allocations - current year	$0	$0
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$0
Balance at August 31, 2005	$0	$0

CAPE - CENTRE FOR ACADEMIC AND PERSONAL EXCELLENCE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

NOTE 1 AUTHORITY AND PURPOSE

CAPE - Centre for Academic and Personal Excellence Institute delivers education programs under the authority of the Charter School Regulations of the School Act, Chapter S-3, Revised Statutes of Alberta 2000.

The charter school is registered under the Alberta Societies Act as a not-for-profit organization. It is a registered charity and exempt from payment of income tax under Section 149 of the Income Tax Act.

The charter school receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The charter school is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Education for Alberta school authorities. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) PREPAID EXPENSES

Certain expenses incurred and paid before the close of the school year are for specific school supplies, and insurance, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(b) SCHOOL GENERATED FUNDS

These are funds raised in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenses paid at the school level (e.g. fundraisers, field trip fees, etc.)

(c) INVESTMENTS

Investments are recorded at cost unless there has been an other than temporary decline in value. At that time, the investment cost is reduced to reflect the fair market value.

(d) CAPITAL ASSETS

Capital assets are recorded at cost and donated capital assets are recorded at fair market value at the time of the donation. Amortization is recorded on a straight-line basis over the assets' useful lives, at the following rate:

Equipment	10 years

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(e) VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Directors of the charter school, to set aside funds for operating and for future capital expenses. Such reserves are appropriations of accumulated operating surplus.

(g) REVENUE RECOGNITION

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions-in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Externally restricted capital allocations from the province or other agencies are recorded as deferred capital allocations until the amount is invested in capital assets. Amounts invested representing funded capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as amortization of capital allocations revenue in the periods which the related amortization expense of the funded capital asset is recorded.

(h) CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year, which are within the school to ensure that certain programs are delivered, such as lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(i) PENSIONS

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the charter school does not make pension contributions for certified staff.

(j) FINANCIAL INSTRUMENTS

The charter school's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets, long term investments, accounts payable and accrued liabilities, school generated liabilities and long-term debt. It is management's opinion that the charter school is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

CAPE - CENTRE FOR ACADEMIC AND PERSONAL EXCELLENCE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

NOTE 3 ACCOUNTS RECEIVABLE

	2005	2004
	$	$
Alberta Education	44,793	27,922
Other Province of Alberta	38,382	7,541
Other	9,215	7,189
	92,390	42,652

NOTE 4 LONG TERM INVESTMENTS

	MARKET VALUE	COST 2005	COST 2004
	$	$	$
Canadian money market fund	33,288	33,288	7,264
Mutual funds	635,610	549,570	577,183
		582,858	584,447

Market value as advised by an independent source.

NOTE 5 CAPITAL ASSETS

Included in capital assets are assets under capital leases as follows:

	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE 2005	NET BOOK VALUE 2004
	$	$	$	$
Equipment	39,425	12,624	26,801	30,350

CAPE - CENTRE FOR ACADEMIC AND PERSONAL EXCELLENCE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

NOTE 6 DEFERRED REVENUE

	2005	2004
	$	$
Learning resources centre grant	1,567	928
Plant operations & maintenance grant	38,382	-
	39,949	928

NOTE 7 SCHOOL GENERATED ASSETS AND LIABILITIES

	2005	2004
	$	$
Balance, beginning of year	1,390	316
Source of school generated funds (SGF)		
SGF for the year	9,513	8,519
Costs of generating SGF	(451)	(1,242)
Net SGF available for the year	9,062	7,277
Application of Net SGF	10,452	7,593
Net SGF expended for the year	(8,153)	(6,203)
Balance, end of year	2,299	1,390

CAPE - CENTRE FOR ACADEMIC AND PERSONAL EXCELLENCE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

NOTE 8 LONG-TERM DEBT

	2005	2004
	$	$
LOAN PAYABLE		
Unsecured, non-interest bearing. Repayable in minimum semi-annual payments of $3,000.	5,000	20,000
Portion repayable within one year	(5,000)	(6,000)
	-	14,000

Approximate principal repayments of long-term debt are as follows:

	$
2006	5,000

	2005	2004
	$	$
OBLIGATION UNDER CAPITAL LEASES		
12.45% to 15.95% due November 2005 to January 2009.	14,505	21,242
Portion repayable within one year.	(3,823)	(7,227)
	10,682	14,015

Total payments of obligation under capital leases are as follows:

	PRINCIPAL	INTEREST	TOTAL
	$	$	$
2006	3,823	2,021	5,844
2007	3,484	1,502	4,986
2008	4,076	812	4,888
2009	3,122	204	3,326
	14,505	4.539	19,044

CAPE - CENTRE FOR ACADEMIC AND PERSONAL EXCELLENCE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

NOTE 9 SUPPLEMENTAL CASH FLOW INFORMATION

	2005	2004
	$	$
Interest paid	3,033	2,361

NOTE 10 RELATED PARTY TRANSACTIONS

During the year, the authority entered into transactions with related parties.

The following transactions are recorded at the exchange amount which represents the amount of consideration paid or received as established and agreed to by related parties.

a) The organization received $599 in donated gifts in kind from employees of the charter school. There were no amounts outstanding from the employees at year-end.

b) The organization purchased a computer from an employee in the amount of $616. There was no amount owing to the employee at year-end.

ALBERTA GOVERNMENT DEPARTMENTS

	RECEIVED & RECEIVABLE	DEFERRED NET	REVENUE 2005	REVENUE 2004
	$	$	$	$
Alberta Education	1,025,553	(1,567)	1,023,986	880,438
Other Province of Alberta	229,449	(38,382)	191,067	237,749
	1,255,002	(39,949)	1,215,053	1,118,187

NOTE 11 ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The charter school's primary source of income is from the Alberta government. The charter school's ability to continue viable operations is dependent on this funding.

NOTE 12 COMMITMENTS

The charter school is committed under long term operating leases for the rental of office which expire at various times from 2006 - 2009. Annual lease payments, excluding taxes are as follows:

	$
2006	5,845
2007	4,987
2008	4,888
2009	3,325
	19,045

CAPE - CENTRE FOR ACADEMIC AND PERSONAL EXCELLENCE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

NOTE 13 BUDGET AMOUNTS

The budget was prepared by the charter school and approved by the Board of Directors. It is presented for information purposes only and has not been audited.

NOTE 14 COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.

NOTE 15 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors.

School Jurisdiction Cod 6019

SCHEDULE A to the AFS

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$1,023,986	$864,376	$19,178	$84,332	$56,100	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$110,484	$0	$110,484			
(3) Regular Operations & Maintenance support	$80,583		$80,583			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$191,067	$0	$191,067			
(6) **Alberta Finance**	$0		$0			$0
(7) **Other - Government of Alberta**	$0	$0	$0	$0	$0	$0
(8) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9) **Other Alberta school authorities**	$5,900	$5,900	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$5,850	$5,850				
(13) **Transportation fees**	$0			$0		
(14) **Other sales and services**	$46,865	$46,865	$0	$0	$0	$0
(15) **Investment income**	$33,345	$33,345	$0	$0	$0	$0
(16) **Gifts and donations**	$17,119	$17,119	$0	$0		$0
(17) **Rentals of facilities**	$0	$0	$0	$0	$0	$0
(18) **Net school generated funds**	$8,153	$8,153			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$0	$0	$0	$0		$0
(21) **TOTAL REVENUES**	$1,332,285	$981,608	$210,245	$84,332	$56,100	$0
EXPENSES						
(22) **Certificated salaries**	$575,604	$575,604			$0	$0
(23) **Certificated benefits**	$85,329	$85,329			$0	$0
(24) **Uncertificated salaries and wages**	$171,231	$171,231	$0	$0	$0	$0
(25) **Uncertificated benefits**	$21,116	$21,116	$0	$0	$0	$0
(26) **SUB - TOTAL**	$853,280	$853,280	$0	$0	$0	$0
(27) **Services, contracts & supplies**	$483,619	$146,125	$212,562	$85,200	$39,732	$0
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$8,153	$8,153				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$0	$0	$0	$0	$0	$0
(31) Unsupported	$8,790	$0	$8,790	$0	$0	$0
(32) Total Amortization	$8,790	$0	$8,790	$0	$0	$0
Interest on capital debt						
(33) Supported	$0	$0	$0	$0	$0	$0
(34) Unsupported	$2,997	$0	$2,997	$0	$0	$0
(35) Other interest charges	$36	$0	$36	$0	$0	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$1,356,875	$1,007,558	$224,385	$85,200	$39,732	$0
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($24,590)	($25,950)	($14,140)	($868)	$16,368	$0

School Jurisdiction Code: 6019

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$0
Base Instruction (Gr 1-12)	$729,833
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$229,385
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$435
Federal French Funding	$0
Provincial Priority Targeted Funding	
Class Size Initiative	$21,574
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$19,200
High Speed Networking	$381
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Textbooks- $4,000 00, PO&M - $19,178 00	$23,178
Total Alberta Education Revenues	$1,023,986

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 6019

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$34,418	$54,130	$5,813		$0	$15,437	$109,798
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$436,558	$62,609	$38,743		$0		$537,910
ECS Program Unit (PUF)	$0	$0	$0		$0		$0
Severe Disabilities (Gr 1-12)	$5,591	$31,387	$4,216		$0		$41,194
English as a Second Language	$0	$0	$0		$0		$0
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$3,442	$5,413	$9,032	$13,787	($12,474)		$19,200
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$0	$17,389	$0	$4,185	$0		$21,574
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$180,924	$21,419	$12,143	$35,485	$12,474	$15,437	$277,882
TOTAL EXPENSES	$660,933	$192,347	$69,947	$53,457	$0	$30,874	$1,007,558

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	8.3	2.7
ECS Program Unit (PUF)	0.0	0.0
Severe Disabilities (Gr 1-12)	1.1	2.4

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 6019

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		$1,356,875
STEP 1		
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses		
If "Total Net Enrolled Students" are 6,000 and over = 4%		0.00%
If "Total Net Enrolled Students" are 2,000 and less = 6%		
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.		
EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.		
Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.		
STEP 2		
Calculate maximum expense limit AMOUNTS for Board and System Administration expenses		
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$0
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$56,100	$56,100
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$56,100
STEP 3		
Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)		
Actual Board Governance & System Administration expenses		$39,732
PLUS: transfers to Restricted - Operating (Board/System Administration)		$0
LESS: transfers from Restricted - Operating (Board/System Administration)		$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES		$39,732
MAXIMUM EXPENSE LIMIT		$56,100
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT		-$16,368

School Jurisdiction Code: 6019

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$1,390
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$3,350	$451	$2,899	
Student fees (Non-Instructional) (Note 2)	$3,105		$3,105	
Donations and grants to schools	$445		$445	
Other (describe): Cafeteria	$2,613	$0	$2,613	
Net Additions to SGF	$9,513	$451		$9,062
Net SGF Available for Discretionary Spending				$10,452
Application of Net School Generated Funds:				
Extra-curricular activities			$5,696	
School beautification			$0	
Field Trips			$641	
Equipment			$0	
Family literacy and other community resources			$0	
Other (describe): Cafeteria			$1,816	
Net SGF Expended for Discretionary Purposes (Note 3)				$8,153
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$2,299

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 6019

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$0	$210,245	$0	$0	$0	$210,245		$210,245
Supplies	$0	$1,438	$0	$0	$0	$1,438		$1,438
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$0			$0		$0
Insurance					$879	$879		$879
Amortization of capital assets								
Supported							$0	$0
Unsupported						$8,790		$8,790
Total Amortization						$8,790	$0	$8,790
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$2,997		$2,997
Other interest charges						$36		$36
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$0	$211,683	$0	$0	$879	$224,385	$0	$224,385
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6019

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Warren Malinowki	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Dr Alan Gray	1.0	$0	$0	$0			$0	$0
Name	Dr Vincent DiNinno	1.0	$0	$0	$0			$0	$0
Name	Carol Ann McCannell	1.0	$0	$0	$0			$0	$0
Name	Teresa DiNinno	1.0	$0	$0	$0			$0	$0
Name	Christa Viljoen	1.0	$0	$0	$0			$0	$0
Name	Yvonne Sept	1.0	$0	$0	$0			$0	$0
Name	Stu Hickey	1.0	$0	$0	$0			$0	$0
Name	Jan Dynes	1.0	$0	$0	$0			$0	$0
Name	Glen Giduk	1.0	$0	$0	$0			$0	$0
Name	Donna Mae Goldade	1.0	$0	$0	$0			$0	$0
Name	Dr Nykolay (Nyk) Hrynyk	1.0	$0	$0	$0			$0	$0
Name	Linda Raisbeck	1.0	$0	$0	$0			$0	$0
Name	Liz Blackstock	1.0	$0	$0	$0			$0	$0
Name	Nancy Boutilier	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*15.0*	*$0*	*$0*	*$0*			*$0*	*$0*
Superintendent	Dr Robert Lowery	1.0	$16,900	$0	$5,186	$0	$0	$22,086	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Judy Herring	1.0	$10,000	$0	$0	$0	$0	$10,000	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		12.9	$575,604	$85,329	$0	$0	$0	$660,933	
Uncertificated Salaries & Wages		8.9	$171,231	$21,116	$0	$0	$0	$192,347	
TOTALS			**$773,735**	**$106,445**	**$5,186**	**$0**	**$0**	**$885,366**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 0053

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Chinook's Edge School Division No. 73
Legal Name of School Jurisdiction

4904-50 Street, Innisfail, Alberta T4G 1W4
Mailing Address

Phone (403) 227-7070 Fax (403) 227-3652
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules The Chinook's Edge School Division No. 73
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Mr. Roy Brassard	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT	
Mr. Jim Gibbons	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Susan Roy, CGA, MBA, csbo	"ORIGINAL SIGNED"
Name	**Signature**

November 30, 2005
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

EPR

WILLMS LEWIS SHEBECK LLP
CERTIFIED GENERAL ACCOUNTANTS

Les Willms,*
C.G.A.

Peter Lewis,*
B.A.,C.G.A.

Gerald Shebeck,*
B.Sc., C.P.A., C.G.A.

* Denotes
Professional Corporation

Associates

Ann Glover
B.Sc., C.G.A.

FINANCIAL STATEMENTS
- Compilations
- Reviews
- Audits

TAXATION SERVICES
- Compliance & Planning
- Canadian Income Tax
- International Taxation
- Trust & Estate Planning

MANAGEMENT CONSULTING
- Business Valuations
- Mergers & Acquisitions
- Business Succession
- Financial Restructuring
- Personal Financial Planning

AFFILIATIONS:

Canada:
Evancic Perrault Robertson

United States:
National Association
of CPA Firms

Worldwide:
Morrison International

AUDITORS' REPORT

To the Trustees of Chinook's Edge School Division #73

We have audited the statement of financial position of Chinook's Edge School Division #73 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion of the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Willms Lewis Shebeck LLP

Calgary, Alberta
November 23, 2005

WILLMS LEWIS SHEBECK LLP
CERTIFIED GENERAL ACCOUNTANTS

Suite 300, 10655 Southport Rd. S.W., Calgary, Alberta T2W 4Y1
Telephone (403) 278-5800 Fax (403) 253-9479
Website http//epr.ca

School Jurisdiction Code: 0053

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$6,681,660	$3,509,816
Accounts receivable (net after allowances)		$3,272,061	$7,187,295
Prepaid expenses		$818,888	$1,140,641
Other current assets		$546	$844
Total current assets		$10,773,155	$11,838,596
School generated assets		$1,121,954	$1,010,132
Trust assets		$813,249	$762,879
Long term accounts receivable		$0	$0
Long term investments		$49,934	$0
Capital assets			
Land		$2,869,970	$2,869,970
Buildings	$115,968,620		
Less: accumulated amortization	($45,486,692)	$70,481,928	$65,553,473
Equipment	$5,141,098		
Less: accumulated amortization	($3,506,473)	$1,634,624	$1,714,456
Vehicles	$7,935,913		
Less: accumulated amortization	($3,930,931)	$4,004,982	$4,213,016
Total capital assets		$78,991,504	$74,350,915
TOTAL ASSETS		$91,749,797	$87,962,522
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$1,010,690
Accounts payable and accrued liabilities		$3,055,549	$3,691,521
Deferred revenue		$1,942,696	$1,248,050
Deferred capital allocations		$2,400,596	$3,112,204
Current portion of all long term debt		$803,814	$871,179
Total current liabilities		$8,202,656	$9,933,644
School generated liabilities		$1,121,954	$1,010,132
Trust liabilities		$813,249	$762,879
Employee future benefits liability		$152,161	$79,422
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$5,887,571	$6,758,750
Less: Current portion of supported debt		($803,814)	($871,179)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$61,598,905	$55,741,260
Total long term liabilities		$68,770,026	$63,481,264
TOTAL LIABILITIES		$76,972,682	$73,414,908
NET ASSETS			
Unrestricted net assets		$686,852	$686,852
Operating Reserves		$1,434,072	$1,121,194
Accumulated Operating Surplus (Deficit)		$2,120,924	$1,808,046
Investment in capital assets		$11,505,025	$11,850,902
Capital Reserves		$1,151,166	$888,666
Total Capital Funds		$12,656,191	$12,739,568
Total net assets		$14,777,115	$14,547,614
TOTAL LIABILITIES AND NET ASSETS		$91,749,797	$87,962,522

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0053

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$77,143,145	$73,425,625	$73,537,994
Federal Government and/or First Nations	$174,045	$1,000	$213,179
Other Alberta school authorities	$3,000	$0	$13,800
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$236,447	$255,000	$270,029
Instruction resource fees	$917,864	$771,865	$877,993
Transportation fees	$240	$0	$1,080
Other sales and services	$249,512	$116,080	$220,439
Investment income	$191,467	$25,000	$218,049
Gifts and donations	$75,383	$28,450	$123,488
Rentals of facilities	$141,066	$85,200	$111,405
Net school generated funds	$1,722,471	$815,000	$814,459
Gains on disposal of capital assets	$24,209	$0	$3,110
Amortization of capital allocations	$2,721,932	$2,411,000	$2,634,122
Total Revenues	$83,600,780	$77,934,220	$79,039,147
EXPENSES			
Certificated salaries	$42,398,275	$40,679,535	$41,708,619
Certificated benefits	$4,425,585	$4,699,473	$4,316,649
Uncertificated salaries and wages	$14,325,513	$14,224,539	$13,989,865
Uncertificated benefits	$2,856,373	$2,722,614	$2,693,401
Services, contracts and supplies	$12,925,940	$13,257,402	$12,573,307
Net school generated funds	$1,722,471	$815,000	$814,459
Capital and debt services			
Amortization of capital assets			
Supported	$2,721,932	$2,411,000	$2,634,122
Unsupported	$1,404,535	$886,825	$1,252,784
Total Amortization of capital assets	$4,126,467	$3,297,825	$3,886,906
Interest on capital debt			
Supported	$585,817	$750,000	$674,455
Unsupported	$0	$0	$0
Total Interest on capital debt	$585,817	$750,000	$674,455
Other interest charges	$2,630	$0	$13,972
Losses on disposal of capital assets	$2,208	$0	$0
Total Expenses	$83,371,279	$80,446,388	$80,671,633
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$229,501	($2,512,168)	($1,632,486)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$229,501	($2,512,168)	($1,632,486)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0053

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$229,501	($1,632,486)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,721,932)	($2,634,122)
Total amortization expense	$4,126,467	$3,886,906
Gains on disposal of capital assets	($24,209)	($3,110)
Losses on sale of capital assets	$2,208	$0
Changes in accrued accounts:		
Accounts receivable	$3,915,234	($4,119,236)
Prepaids and other current assets	$322,051	($351)
Long term accounts receivable	$0	$0
Long term investments	($49,934)	$0
Payables and accrued liabilities	($635,972)	$393,235
Deferred revenue	$694,646	($137,150)
Employee future benefit expense (recovery)	$72,739	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$5,930,799	($4,246,314)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($190,749)
Buildings	($7,842,858)	($6,222,743)
Equipment	($418,275)	($476,078)
Vehicles	($515,423)	($558,808)
Net proceeds from disposal of capital assets	$36,500	$20,774
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($8,740,055)	($7,427,604)
C. FINANCING ACTIVITIES		
Capital allocations	$6,991,790	$3,740,619
Issue of long term debt	$0	$0
Repayment of long term debt	($871,179)	($935,894)
Add back: supported portion	$871,179	$935,894
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$6,991,790	$3,740,619
Net sources (uses) of cash during year	$4,182,534	($7,933,299)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$2,499,126	$10,432,425
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$6,681,660	$2,499,126

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 0053

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$14,547,614	$11,850,902	$686,852	$2,009,860	$1,686,225	$300,000	($569,117)	$1,166	$2,105	$17,500	$1,981	$570,000	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$14,547,614	$11,850,902	$686,852	$2,009,860	$1,686,225	$300,000	($569,117)	$1,166	$2,105	$17,500	$1,981	$570,000	$0	$0
Surplus(def) of revenue over expense	$229,501		$229,501											
Board funded capital transactions		$1,073,157	$0	($1,073,157)	$0	($289,131)	$0	($278,047)	$0	($10,337)	$0	($495,642)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($4,126,467)	$4,126,467											
Amortization of capital allocations		$2,721,932	($2,721,932)											
Disposal of unsupported capital asset	$0	($14,499)	$0	$14,499		$6,433		$0		$2,208		$5,858		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($361,151)	$361,151	$338,126		$0		$4,136		$18,889		$0	
Net transfers from operating reserves			$48,273	($48,273)	$0		($48,273)		$0		$0		$0	
Net transfers to capital reserves			($1,321,158)	$1,321,158		$282,698		$278,047		$45,629		$714,784		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$14,777,115	$11,505,025	$686,852	$2,585,238	$2,024,351	$300,000	($617,390)	$1,166	$6,241	$55,000	$20,870	$795,000	$0	$0

School Jurisdiction Code: 0053

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$3,112,204	$55,741,260
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$3,112,204	$55,741,260
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$6,769,998	
Other Government of Alberta	$50,159	
Federal Government and/or First Nations	$48,000	
Other sources	$40,757	
Interest earned on provincial government capital allocations	$61,117	
Other capital grants and donations	$21,759	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$5,000
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$871,179
Expended capital allocations - current year	($7,703,398)	$7,703,398
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,721,932
Balance at August 31, 2005	$2,400,596	$61,598,905

CHINOOK'S EDGE SCHOOL DIVISION NO. 73
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

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1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Division is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition
Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received or receivable.

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b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 10%
Vehicles & Buses	10% and 20%
Equipment & Furnishings	10% and 20%
Playground Equipment	5%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset. No amortization is recorded in the year that an asset is acquired.

Beginning with the August 31, 2004 year-end playground equipment with a cost of $5,000 or more is now being capitalized. This change has not been applied back to prior years.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by the contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, Chinook's Edge School Division No. 73 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan (LAPP) and in a multi-employer senior management registered pension plan (SiPP), and does not report on any unfunded liabilities. The expense for these pension plans is equivalent to the annual employer contributions of $527,730 for LAPP and $27,900 for SiPP for the year ended August 31, 2005. As at December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,587,000).

The school board also participates in a senior management non-registered pension plan, (SiPP non-registered). The expense for this pension plan includes:

	2005	2004
Regular contributions	$15,985	$10,577
Past service contributions	25,000	0
Accrual of actuarial obligation	22,865	0
	$65,850	$10,577

During the year the School Division expensed $25,000 paid to a non-registered supplementary income pension plan for past service contributions related to the 2002 and 2003 calendar years. This expense was paid for the benefit of the Superintendent of Schools.

f) Inventories
Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services
Volunteers contribute a considerable number of hours per year to schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments
The Division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

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j) Operating and Capital Reserves
Reserves are established at the discretion of the Board of Trustees of the Division or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits
The Division accrues its obligations under employee future benefit plans and expenses the related costs. The financial impact on the Division for the 2004/2005 school year was an accrual of $152,161 (2003/2004 $79,422).

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	$143,049	$0
Alberta Infrastructure and Transportation	1,484,265	5,308,327
Alberta Finance	274,923	319,101
Other Province of Alberta	15,936	17,686
Federal Government	1,026,855	940,251
Alberta Municipalities	11,074	28,210
Other Alberta School Jurisdictions	592	112,573
Other	315,367	461,147
Total	**$3,272,061**	**$7,187,295**

4. BANK INDEBTEDNESS

The Division has an authorized line of credit in the amount of $5,000,000 that bears interest at the Community Savings prime rate less .25% and is secured by a general security agreement. There was a balance outstanding on the line of credit at August 31, 2005 of nil (2004 - $1,010,690). Bank indebtedness is monitored throughout the year to ensure compliance with Section 183(1) of the School Act. This Section requires that total borrowing cannot exceed total receivables.

	2005	2004
Accounts Receivable	$3,272,061	$7,187,295
Less: Bank Indebtedness	0	1,010,690
Allowable Bank Indebtedness	**$3,272,061**	**$6,176,605**

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5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Alberta Education	$0	$13,466
Alberta Infrastructure and Transportation	0	0
Alberta Finance	274,923	319,101
Other Province of Alberta	9,850	13,073
Federal Government	0	10,266
Alberta Municipalities	0	0
Other Alberta School Jurisdictions	0	0
Other Trade Payables and Accrued Liabilities	2,770,776	3,335,615
Total	**$3,055,549**	**$3,691,521**

6. DEFERRED REVENUE

	2005	2004
Family Wellness Program Funding	$17,746	$15,604
Alberta Initiative for School Improvement	72,166	66,717
Infrastructure Maintenance Program (formerly BQRP)	1,085,254	575,519
Block Modernization Funding	458,655	581,880
2004-2005 Video Conferencing Grant	60,000	0
2004-2005 Social Studies Resource Grant	248,000	0
Other	875	8,330
Total	**$1,942,696**	**$1,248,050**

7. OTHER REVENUE FROM ALBERTA EDUCATION

	2005	2004
2003-2004 Alberta Learning math grant	$0	$17,000
2003-2004 One time transportation grant	0	81,400
2003-2004 Alberta Learning PD initiative grant	0	8,333
2004-2005 Microsoft license rebate	8,885	0
Sun Ray Project	116,000	0
Total	**$124,885**	**$106,733**

8. TRUST ASSETS AND LIABILITIES

	2005	2004
Scholarship Trusts	$768,269	$712,864
ECS Casino Funds - received on amalgamation	10,524	17,596
DARE	11,368	10,807
Insurance Proceeds	18,787	17,586
Habitat Renewal	4,301	4,026
Total	$813,249	$762,879

9. LONG TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.375% and 12.0%. The debenture debt is fully supported by Alberta Finance. The current portion of the long-term consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	2005	2004
Principal balance with interest rates ranging from 7.375% to 12.0%.	$5,887,571	$6,758,750
Less: Current portion	803,814	871,179
	$5,083,757	$5,887,571

Principal repayments are estimated as follows:

2006	$803,814
2007	794,861
2008	783,728
2009	760,497
2010	706,747
	3,849,647
Due after five years	2,037,924
	$5,887,571

Capital Leases - Unsupported

There are no capital leases currently held by the jurisdiction.

10. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital assets that are allocation funded.

11. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully supported debenture principal repayments.

12. COMMITMENTS

Building Projects

The jurisdiction is committed to further capital expenditures for the new Didsbury High School of approximately $7,010,464 and for the modernization and addition of River Valley Elementary School of approximately $659,577. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

The jurisdiction is committed to $100,000 worth of site improvements in favour of the vendor for 4 acres of land that the jurisdiction received at no cost on the purchase of the land for the new Didsbury High School.

Premise Lease

The Division has entered into various premise lease agreements with estimated annual payments as follows:

2006	$90,575
2007	78,795
2008	15,850
2009	0
2010	0

13. CONTINGENCIES

The School Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements, as the value of equity is subject to liability claims.

The School Division has been named as a defendant in two lawsuits whereby the plaintiffs are seeking damages in the amount of $25,000 and $10,000 respectively. As the likelihood of the outcome and potential damages, if any, ensuing from these lawsuits are not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with these lawsuits.

The School Division has been named as a defendant in a lawsuit regarding the calculation of pension benefits by the Local Authorities Pension Plan. As the likelihood of the outcome and potential damages, if any, ensuing from this lawsuit is not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with this lawsuit.

The School Division is subject to a number of small insurance claims, the outcome of which is not determinable as at the date of reporting. As these claims are covered by insurance, no provision has been made in the financial statements for any costs associated with them.

14. ECONOMIC DEPENDANCE ON RELATED THIRD PARTY

Chinook's Edge School Division No. 73's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

15. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

16. COMPARATIVE FIGURES

The Budget 2005 and Actual 2004 comparative figures have been reclassified where necessary to conform to Actual 2005 presentation.

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17. SUBSEQUENT EVENTS

On November 21, 2005 Chinook's Edge School Division received $116,902.74 from Jubilee Reciprocal Insurance Exchange. These funds represent a return of equity contributions that the School Division contributed while a member of this insurance fund. These funds will be recorded in the 2005/2006 to reduce insurance premiums during that school year.

SCHEDULE A to the AFS

School Jurisdiction Cod 0053

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$68,586,572	$60,002,629	$0	$5,291,785	$2,740,485	$551,673
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$1,036,936	$349,277	$687,659			
(3) Regular Operations & Maintenance support	$6,612,551		$6,612,551			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$7,649,487	$349,277	$7,300,210			
(6) **Alberta Finance**	$585,817		$585,817			$0
(7) **Other - Government of Alberta**	$321,269	$26,410	$7,559	$0	$0	$287,300
(8) **Federal Government and/or First Nations**	$174,045	$9,600	$1,534	$0	$0	$162,911
(9) **Other Alberta school authorities**	$3,000	$3,000	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$236,447	$0	$0	$0	$0	$236,447
(12) **Instruction resource fees**	$917,864	$917,864				
(13) **Transportation fees**	$240			$240		
(14) **Other sales and services**	$249,512	$129,321	$0	$119,460	$731	$0
(15) **Investment income**	$191,467	$100,611	$53,817	$0	$37,039	$0
(16) **Gifts and donations**	$75,383	$72,379	$0	$3,004		$0
(17) **Rentals of facilities**	$141,066	$29,748	$111,318	$0	$0	$0
(18) **Net school generated funds**	$1,722,471	$1,722,471			$0	
(19) **Gains on disposal of capital assets**	$24,209	$8,067	$0	$16,142	$0	$0
(20) **Amortization of capital allocations**	$2,721,932	$86,268	$2,631,317	$4,347		$0
(21) **TOTAL REVENUES**	$83,600,780	$63,457,644	$10,691,573	$5,434,977	$2,778,255	$1,238,331
EXPENSES						
(22) **Certificated salaries**	$42,398,275	$41,874,888			$481,196	$42,191
(23) **Certificated benefits**	$4,425,585	$4,305,877			$117,434	$2,274
(24) **Uncertificated salaries and wages**	$14,325,513	$7,853,937	$3,028,905	$1,599,412	$1,131,117	$712,143
(25) **Uncertificated benefits**	$2,856,373	$1,549,930	$669,326	$241,779	$259,300	$136,038
(26) **SUB - TOTAL**	$64,005,747	$55,584,633	$3,698,231	$1,841,190	$1,989,046	$892,646
(27) **Services, contracts & supplies**	$12,925,940	$5,630,865	$3,546,433	$2,855,767	$734,823	$158,052
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$1,722,471	$1,722,471				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$2,721,932	$86,268	$2,631,317	$4,347	$0	$0
(31) Unsupported	$1,404,535	$397,947	$301,335	$627,527	$77,726	$0
(32) Total Amortization	$4,126,467	$484,215	$2,932,652	$631,874	$77,726	$0
Interest on capital debt						
(33) Supported	$585,817	$0	$585,817	$0	$0	$0
(34) Unsupported	$0	$0	$0	$0	$0	$0
(35) Other interest charges	$2,630	$216	$0	$0	$2,414	$0
(36) Losses on disposal of capital assets	$2,208	$0	$0	$0	$2,208	$0
(37) **TOTAL EXPENSES**	$83,371,279	$63,422,400	$10,763,133	$5,328,831	$2,806,217	$1,050,698
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$229,501	$35,244	($71,560)	$106,146	($27,962)	$187,633

School Jurisdiction Code: 0053

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,961,121
Base Instruction (Gr 1-12)	$49,463,076
Outreach Programs	$312,120
Home Education	$4,344
Differential Cost Funding *	$13,327,940
Other Provincial Support	
Institutional Programs	$12,259
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$92,651
Federal French Funding	$38,927
Provincial Priority Targeted Funding	
Class Size Initiative	$1,567,355
Student Health Initiative (SHI)	$276,673
Alberta Initiative for School Improvement (AISI)	$1,296,669
High Speed Networking	$108,553
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Microsoft license rebate ($8885) and Olds Sun Ray Project ($116000)	$124,885
Total Alberta Education Revenues	$68,586,572

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0053

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,511,936	$2,366,689	$486,004		$0	$57,812	$5,422,442
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,769,152	$1,211,024	$67,002		$0		$3,047,179
ECS Program Unit (PUF)	$156,007	$557,141	$211,563		$0		$924,711
Severe Disabilities (Gr 1-12)	$898,598	$2,829,187	$756,333		$0		$4,484,118
English as a Second Language	$0	$0	$790		$0		$790
French Language Program & Francisation (all jurisdictions)	$323,370	$5,305	$12,850		$0		$341,524
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$7,680	$81	$1,116		$0		$8,877
Institutional Programs	$53,760	$0	$4,112		$0		$57,872
Alberta Initiative for School Improvement	$786,344	$302,094	$121,756	$99,157	$0		$1,309,350
Student Health Initiative	$30,720	$168,704	$77,249		$0		$276,673
High Speed Networking			$114,493		$0		$114,493
Class Size	$1,567,355	$0	$0	$0	$0		$1,567,355
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$38,075,844	$1,963,641	$2,280,198	$1,398,244	$0	$2,149,090	$45,867,016
TOTAL EXPENSES	$46,180,765	$9,403,867	$4,133,465	$1,497,401	$0	$2,206,902	$63,422,400

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	23.0	55.0
ECS Program Unit (PUF)	2.0	27.1
Severe Disabilities (Gr 1-12)	12.0	128.5

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0053

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		$83,371,279

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$3,334,851
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$3,334,851

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,806,217
PLUS: transfers to Restricted - Operating (Board/System Administration)	$4,136
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,810,353
MAXIMUM EXPENSE LIMIT	$3,334,851
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$524,498

School Jurisdiction Code: 0053

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$1,010,132
Source of Net School Generated Funds:				
Fundraising activities	$1,726,175	$1,051,457	$674,718	
Student fees (Non-Instructional) (Note 2)	$937,560		$937,560	
Donations and grants to schools	$222,015		$222,015	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$2,885,750	$1,051,457		$1,834,293
Net SGF Available for Discretionary Spending				$2,844,425
Application of Net School Generated Funds:				
Extra-curricular activities			$1,243,173	
School beautification			$36,528	
Field Trips			$380,137	
Equipment			$50,623	
Family literacy and other community resources			$12,010	
Other (describe):			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$1,722,471
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$1,121,954

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0053

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$2,147,648	$519,977	$0	$23,390	$337,890	$3,028,905		$3,028,905
Uncertificated benefits	$476,402	$123,201	$0	$4,184	$65,539	$669,326		$669,326
Sub-total Remuneration	$2,624,050	$643,178	$0	$27,574	$403,429	$3,698,231		$3,698,231
Contracted Services	$30,293	$148,200	$7,529	$0	$18,394	$204,416		$204,416
Supplies	$300,696	$440,553	$8,066	$454,853	$24,084	$1,228,252		$1,228,252
Electricity			$1,130,818			$1,130,818		$1,130,818
Natural Gas/Heating Fuel			$707,999			$707,999		$707,999
Sewer and Water			$128,976			$128,976		$128,976
Telecommunications			$30,417			$30,417		$30,417
Insurance					$115,555	$115,555		$115,555
Amortization of capital assets								
Supported							$2,631,317	$2,631,317
Unsupported						$301,335		$301,335
Total Amortization						$301,335	$2,631,317	$2,932,652
Interest on capital debt								
Supported							$585,817	$585,817
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$2,955,039	$1,231,931	$2,013,805	$482,427	$561,462	$7,545,999	$3,217,134	$10,763,133
SQUARE METRES								
School Buildings								125,952.0
Non School Buildings								2,912.0
UNCERTIFICATED FTE'S (Board/Contract)	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 0053

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Brassard, Roy	1.0	$14,709	$461	$566			$15,736	$11,750
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Archibald, Penny	1.0	$8,934	$1,491	$145			$10,570	$6,971
Name	Butler, Colleen	0.9	$9,759	$1,538	$924			$12,221	$11,406
Name	Campbell, Doug	0.1	$350	$535	$96			$981	$327
Name	Chalmers, Sandi	0.1	$1,175	$486	$132			$1,793	$701
Name	Cooper, Sherry	0.9	$8,084	$3,224	$154			$11,462	$6,108
Name	Fisher, Ron	1.0	$11,509	$3,538	$1,001			$16,048	$11,755
Name	Huelsman, Connie	0.9	$10,809	$3,474	$99			$14,382	$8,665
Name	Johnson, Gordon	0.9	$6,809	$3,195	$660			$10,664	$5,878
Name	Langston, Joyce	0.1	$1,175	$337	$111			$1,623	$604
Name	Little, Stuart	0.1	$1,925	$70	$0			$1,995	$428
Name	Swainson, Jackie	1.0	$12,884	$3,708	$386			$16,978	$7,570
Name	Taylor, Ian	0.1	$1,550	$531	$124			$2,205	$804
Name	Wagstaff, Doug	0.9	$10,309	$393	$374			$11,076	$8,020
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$99,981*	*$22,981*	*$4,772*			*$127,734*	*$80,987*
Superintendent	Gibbons, Jim	1.0	$144,653	$48,792	$0	$0	$0	$193,445	$20,518
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Dersch, Terresa	1.0	$83,056	$16,742	$0	$0	$0	$99,798	$9,155
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Roy, Susan	1.0	$87,773	$21,183	$0	$0	$0	$108,956	$11,244
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		589.5	$42,253,622	$4,376,793	$0	$0	$0	$46,630,415	
Uncertificated Salaries & Wages		600.0	$14,049,931	$2,795,467	$0	$0	$0	$16,845,398	
TOTALS			**$56,719,016**	**$7,281,958**	**$4,772**	**$0**	**$0**	**$64,005,746**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 4208

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Christ the Redeemer Catholic Separate Regional Division No. 3
Legal Name of School Jurisdiction

46 Elma Street West, Okotoks, Alberta, T1S 1J7
Mailing Address

403-938-2659 403-938-4575
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules The Christ the Redeemer Catholic Separate Regional Division No 3
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mary Stengler "ORIGINAL SIGNED"
Name **Signature**

SUPERINTENDENT

Peter Doyle "ORIGINAL SIGNED"
Name **Signature**

SECRETARY TREASURER OR TREASURER

Dennis Schneider "ORIGINAL SIGNED"
Name **Signature**

26-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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AUDITORS' REPORT

To: The Board of Trustees
Christ the Redeemer Catholic Separate Regional Division #3

We have audited the statement of financial position of Christ the Redeemer Catholic Separate Regional Division #3 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2005, and the results of its operations, changes in cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Catalyst LLP

CHARTERED ACCOUNTANTS

HIGH RIVER, ALBERTA
NOVEMBER 7, 2005

Member of
PKF
International

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* Catalyst Chartered Accountants operates as a limited liability partnership

School Jurisdiction Code: 4208

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$2,833,407	$674,739
Accounts receivable (net after allowances)		$3,454,681	$2,576,647
Prepaid expenses		$527,769	$1,043,204
Other current assets		$0	$0
Total current assets		$6,815,857	$4,294,590
School generated assets		$403,709	$240,963
Trust assets		$46,133	$16,787
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$370,796	$370,796
Buildings	$57,909,118		
Less: accumulated amortization	($15,105,397)	$42,803,721	$38,439,246
Equipment	$6,994,518		
Less: accumulated amortization	($4,170,449)	$2,824,069	$3,010,131
Vehicles	$139,820		
Less: accumulated amortization	($67,229)	$72,591	$85,731
Total capital assets		$46,071,177	$41,905,904
TOTAL ASSETS		$53,336,876	$46,458,244
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,341,897	$2,100,209
Deferred revenue		$522,111	$291,450
Deferred capital allocations		$376,536	$761,031
Current portion of all long term debt		$804,624	$876,687
Total current liabilities		$5,045,168	$4,029,377
School generated liabilities		$403,709	$240,963
Trust liabilities		$46,133	$16,787
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$5,865,154	$6,357,988
	Less: Current portion of supported debt	($492,834)	($492,834)
Unsupported:	Debentures and Capital Loans	$109,275	$174,000
	Capital Leases	$0	$0
	Mortgages	$202,515	$209,853
	Less: Current portion of unsupported debt	($311,790)	($383,853)
Unamortized capital allocations		$38,754,858	$33,879,025
Total long term liabilities		$44,577,020	$40,001,929
TOTAL LIABILITIES		$49,622,188	$44,031,306
NET ASSETS			
Unrestricted net assets		$126,567	$100,000
Operating Reserves		$1,982,306	$783,938
Accumulated Operating Surplus (Deficit)		$2,108,873	$883,938
Investment in capital assets		$1,139,376	$1,285,040
Capital Reserves		$466,439	$257,960
Total Capital Funds		$1,605,815	$1,543,000
Total net assets		$3,714,688	$2,426,938
TOTAL LIABILITIES AND NET ASSETS		$53,336,876	$46,458,244

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 4208

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$40,782,117	$36,512,314	$34,933,165
Federal Government and/or First Nations	$71,943	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$65,498	$68,800	$86,132
Instruction resource fees	$480,636	$381,995	$412,009
Transportation fees	$0	$0	$0
Other sales and services	$69,166	$36,000	$46,490
Investment income	$72,554	$55,000	$29,300
Gifts and donations	$83,486	$10,000	$32,710
Rentals of facilities	$78,574	$85,000	$51,347
Net school generated funds	$900,390	$400,000	$651,335
Gains on disposal of capital assets	$0	$0	$4,627
Amortization of capital allocations	$2,396,420	$1,800,000	$2,209,194
Total Revenues	$45,000,784	$39,349,109	$38,456,309
EXPENSES			
Certificated salaries	$19,182,302	$18,547,892	$17,095,644
Certificated benefits	$2,077,635	$1,926,380	$1,809,590
Uncertificated salaries and wages	$6,792,508	$6,146,641	$5,813,701
Uncertificated benefits	$1,510,191	$1,395,593	$1,334,164
Services, contracts and supplies	$9,407,958	$8,694,386	$8,115,528
Net school generated funds	$900,390	$400,000	$651,335
Capital and debt services			
Amortization of capital assets			
Supported	$2,396,420	$1,800,000	$2,209,194
Unsupported	$872,870	$700,000	$807,000
Total Amortization of capital assets	$3,269,290	$2,500,000	$3,016,194
Interest on capital debt			
Supported	$565,326	$600,000	$582,063
Unsupported	$7,434	$15,000	$16,612
Total Interest on capital debt	$572,760	$615,000	$598,675
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$43,713,034	$40,225,892	$38,434,831
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$1,287,750	($876,783)	$21,478
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,287,750	($876,783)	$21,478

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 4208

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,287,750	$238,395
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,396,420)	($2,209,194)
Total amortization expense	$3,269,290	$3,016,194
Gains on disposal of capital assets	$0	($4,627)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($878,034)	($304,820)
Prepaids and other current assets	$515,435	($324,467)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$1,241,688	($235,087)
Deferred revenue	$230,661	$351
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$3,270,370	$176,745
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($6,692,470)	($978,460)
Equipment	($727,268)	($534,232)
Vehicles	($14,825)	($48,468)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($7,434,563)	($1,561,160)
C. FINANCING ACTIVITIES		
Capital allocations	$6,394,924	$840,136
Issue of long term debt	$0	$0
Repayment of long term debt	($564,897)	($568,622)
Add back: supported portion	$492,834	$492,834
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$6,322,861	$764,348
Net sources (uses) of cash during year	$2,158,668	($620,067)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$674,739	$1,294,806
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,833,407	$674,739

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 4208

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL INTERNALLY RESTRICTED NET ASSETS** Cols. 5 to 14	**INTERNALLY RESTRICTED NET ASSETS**									
					School Based		**Infrastructure**		**Board & System Admin.**		**Transportation**		**External Services**	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$2,426,938	$1,285,040	$100,000	$1,041,898	$497,213	$236,294	$0	$0	$286,725	$21,666	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$2,426,938	$1,285,040	$100,000	$1,041,898	$497,213	$236,294	$0	$0	$286,725	$21,666	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$1,287,750		$1,287,750											
Board funded capital transactions		$655,143	($655,143)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($3,269,290)	$3,269,290											
Amortization of capital allocations		$2,396,420	($2,396,420)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$72,063	($72,063)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			($1,198,368)	$1,198,368	$1,198,368		$0		$0		$0		$0	
Net transfers to capital reserves			($208,479)	$208,479		$201,854		$0		$6,625		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$3,714,688	$1,139,376	$126,567	$2,448,745	$1,695,581	$438,148	$0	$0	$286,725	$28,291	$0	$0	$0	$0

School Jurisdiction Code: 4208

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$844,430	$33,879,025
Prior period adjustment	($83,399)	$0
Adjusted balance, August 31, 2004	$761,031	$33,879,025
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$6,361,183	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$33,741	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$492,834
Expended capital allocations - current year	($6,779,419)	$6,779,419
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,396,420
Balance at August 31, 2005	$376,536	$38,754,858

CHRIST THE REDEEMER CATHOLIC SEPARATE REGIONAL DIVISION No. 3
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2005

1. AUTHORITY AND PURPOSE

The School Jurisdiction formed on the amalgamation of Foothills No.346, Drumheller No.25 and Assumption No.50 in 1995, delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3. The School Jurisdiction now includes Canmore, Okotoks, High River, Strathmore, Drumheller, Brooks, Oyen and surrounding areas. The School Jurisdiction receives instruction and support allocations under Regulation 77/2003. The Regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SUMMARY OF ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a. Revenue recognition

Instruction and support allocations are recognized in the year to which they relate and fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

b. Capital assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following annual rates:

Building and Site Improvements	- 2.5% to 4%
Equipment and furnishings	- 10% to 20%
Vehicles	- 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

2. SUMMARY OF ACCOUNTING POLICIES (Cont'd)

c. School generated funds

School generated funds are funds in the community under the control and responsibility of the principal and are for school activities. The funds are collected and retained at the school for expenditures such as year books, graduation fees, field trips, etc.

d. Contributed services

Volunteers contribute a considerable number of hours per year to various schools operated by the Regional Division. These volunteers provide assistance in delivering certain programs such as kindergarten lunch services and raising of school generated funds for activities that would not otherwise be available. Because of the difficulty of compiling the hours and determining the value of these services that are not otherwise purchased, contributed services are not recognized in the financial statements.

e. Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance, deposits and programs are also included in this category.

f. Pension obligation

Pension costs included in these financial statements comprise the cost of employer contributions for current service of employees during the year. The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Christ the Redeemer Catholic Separate Regional Division does not make pension contributions for certificated staff. The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $332,945 for the year ended August 31, 2005 ($284,929 - 2004).

g. Financial instruments

The Regional Division's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities, deferred revenue, deferred capital allocations, and long-term debt. Carrying values unless otherwise noted approximate their fair values due to the short-terms to maturity. The carrying value of long-term debt approximates the fair value. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risk arising from these financial instruments. Surplus funds have been invested in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

h. Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the Regional Division at this time.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	$ **282,106**	$ 463,834
Alberta Infrastructure and Transportation	**1,518,593**	857,693
Alberta Finance	**387,483**	420,122
Other Province of Alberta	**13,200**	26,800
Federal Government	**488,544**	203,694
First Nations	**11,913**	-
Alberta Municipalities	**691,103**	522,450
Other Alberta School Jurisdictions	-	12,519
Other	**61,739**	69,535
	$ **3,454,681**	$ 2,576,647

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Alberta Education	$ **700,715**	$ 600,776
Alberta Finance	**387,483**	420,122
Alberta Municipalities	**4,488**	6,799
Other Alberta School Jurisdictions	**1,690**	1,254
Other Trade Payables and Accrued Liabilities	**2,247,521**	1,071,258
	$ **3,341,897**	$ 2,100,209

5. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2004	Appropriated	Used	2005
Operating Reserves				
School	$ 497,213	$ 1,198,368	$	$ **1,695,581**
Operations & Maintenance	-	-	-	-
Board & System administration	286,725	-	-	**286,725**
	$ **783,938**	$ **1,198,368**	$ -	$ **1,982,306**
Capital Reserves				
Vehicles	$ 57,960	$ 8,479	$ -	$ 66,439
Furniture & Equipment	200,000	200,000	-	400,000
	$ **257,960**	$ **208,479**	$ -	$ **466,439**
	$ **1,041,898**	$ **1,406,847**	$ -	$ **2,448,745**

6. DEFERRED REVENUE

	2005	2004
School and Related Fees	$ **34,857**	$ 43,700
Family School Liaison	**8,667**	20,233
Learning Resources Credit for 05/06 Purchases	**10,687**	8,144
Infrastructure Maintenance Program	**313,310**	110,390
Operations & Maintenance Support	**78,009**	101,303
Video Conferencing	**60,000**	-
Other	**16,581**	7,680
	$ **522,111**	$ 291,450

7. BANK INDEBTEDNESS

The Regional Division has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime lending rate minus .5%. As of August 31, 2005 the effective interest rate was 3.25%. The line of credit is secured by a borrowing bylaw and a general security agreement covering all assets of the division. There was no balance outstanding on the line of credit at August 31, 2005.

8. TRUST ASSETS AND LIABILITIES

Trust assets and liabilities represent cash that is held in trust by the Regional Division for the following:

	2005	2004
Deferred Salary Leave Trust	**30,891**	
Scholarship Trusts	**15,242**	16,787
	$ **46,133**	$ 16,787

9. LONG-TERM DEBT

Debenture debt - supported

The debenture debt bears interest at rates varying between 7.6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt and accordingly working capital is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

9. LONG-TERM DEBT (Cont'd)

	Principal	Interest	Total
2005 - 2006	$ 492,834	$ 550,628	$ 1,043,462
2006 - 2007	481,368	503,292	984,660
2007 - 2008	470,118	457,222	927,340
2008 - 2009	470,118	412,248	882,366
2009 - 2010	449,718	367,275	816,993
2010 to maturity	3,500,998	1,497,397	4,998,395
	$ 5,865,154	**$ 3,788,062**	**$ 9,653,216**

Mortgages - unsupported

Mortgages - unsupported includes two mortgages with Community Savings on properties purchased for use as administration offices. Both mortgages bear interest at the bank's prime lending rate; 3.75% as of August 31, 2005, and are secured by a general security agreement covering all assets of the Regional Division and specific charges against the purchased properties. Although extended repayment terms have been accepted by the bank, both mortgages are repayable on demand and accordingly the entire balance on each has been classified as a current liability. Details of the two mortgages are as follows:

	2005	2004
Mortgage #1, repayable in equal monthly principal payments in the amount of $888 plus interest to Maturity.	$ 108,661	$ 113,619
Mortgage #2, repayable in equal monthly principal payments in the amount of $450 plus interest to Maturity.	93,854	96,234
	202,515	209,853
Amounts included in current liabilities	202,515	209,853
	$ -	$ -

If the bank does not demand repayment sooner, principal payments due over the next five years and beyond would be as follows:

2005 - 2006	$ 16,056
2006 - 2007	16,056
2007 - 2008	16,056
2008 - 2009	16,056
2009 - 2010	16,056
2010 to maturity	122,235
	$ 202,515

9. LONG-TERM DEBT (Cont'd)

Capital Loan - unsupported

The capital loan - unsupported is comprised of a demand installment loan with Community Savings taken to finance renovations to the administration office. The loan bears interest at the bank's prime lending rate, 3.75% as of August 31, 2005, and is covered under the same security as the mortgages - unsupported. Although extended repayment terms have been accepted by the bank, because the loan is repayable on demand, the entire balance has been classified as a current liability. Details of the loan are as follows:

	2005	2004
Demand installment loan, repayable in Equal monthly principal payments in The amount of $4,834 plus interest, to August 1, 2007	$ 109,275	$ 174,000
Amount included in current liabilities	109,275	174,000
Long-term portion	$ -	$ -

If the bank does not demand payment sooner, principal payments due over the next four years will be as follows:

2006	$ 58,000
2007	51,275
	$ 109,275

10. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent capital funds that have been received for qualifying projects and remain unexpended. Once spent on qualifying capital asset acquisitions, these allocations are transferred to unamortized capital allocations from where they are amortized to revenue on a basis consistent with the amortization of the capital asset that the allocation funded. Details of the changes are as follows:

	2005	2004
Balance beginning of year	$ **844,430**	$ 1,160,369
Prior period adjustment (Note 16)	**(83,399)**	-
Infrastructure capital funding received	**6,361,183**	832,106
Interest earned on unexpended funds	**33,741**	8,030
Transfers to unamortized capital allocations	**(6,779,419)**	(1,156,075)
Balance end of year	$ **376,536**	$ 844,430

11. UNAMORTIZED CAPITAL ALLOCATIONS

The total debenture payments increase the balance in the account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the account. Details of the changes to the account are as follows:

	2005	2004
Balance beginning of year	**$ 33,879,025**	$ 34,439,310
Supported debenture principle payments	**492,834**	492,834
Transfers from deferred capital contribution	**6,779,419**	1,156,075
Amortization on related assets	**(2,396,420)**	(2,209,194)
Balance end of year	**$ 38,754,858**	$ 33,879,025

12. BUDGET AND COMPARATIVE AMOUNTS

The budget was prepared by the Regional Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

13. COMMITMENTS AND CONTINGENCIES

a. Capital Projects

Projects approved for approximately $25,734,350 in 2005 are scheduled for completion between 2005 and 2007. Funding received to date is approximately $6,124,614 with the additional amounts to be received from Alberta Infrastructure as required. Projects scheduled for completion are as follows:

Projects pre-approved for completion dates between 2005 and 2007:

Canmore K – 12 School	$ 10,925,836
Okotoks Senior High School	13,086,120
Okotoks Senior High - 6 Portables	700,196
Movement of 6 Portables	210,000
Good Shepherd School and	-
St. Mary's School mould remedial work	682,810
Canmore – Link 3 Atco portables	129,388
	$ 25,734,350

b. Contingent Asset

The Regional Division is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate

c. Office Lease

The jurisdiction is committed to lease office space for a term of three years ending on the 30th day of June, 2008. The annual rent amounts to $83,016.22 inclusive of GST.

14. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Regional Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

15. PRIOR PERIOD ADJUSTMENTS

Accounts receivable ($2,660,046 – 2004) has been restated to $2,576,647 and deferred capital allocations ($844,430 - 2004) has been restated to $761,031 to reflect an adjustment of $83,399 set up as a receivable from Alberta Infrastructure and subsequently applied to deferred capital contributions.

School Jurisdiction Cod 4208

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$37,949,699	$32,750,491	$1,214,024	$2,625,800	$1,359,384	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$427,152	$0	$427,152			
(3) Regular Operations & Maintenance support	$1,800,937		$1,800,937			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$2,228,089	$0	$2,228,089			
(6) **Alberta Finance**	$565,326		$565,326			$0
(7) **Other - Government of Alberta**	$39,003	$32,203	$6,800	$0	$0	$0
(8) **Federal Government and/or First Nations**	$71,943	$71,943	$0	$0	$0	$0
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$65,498	$65,498	$0	$0	$0	$0
(12) **Instruction resource fees**	$480,636	$480,636				
(13) **Transportation fees**	$0			$0		
(14) **Other sales and services**	$69,166	$43,448	$0	$25,718	$0	$0
(15) **Investment income**	$72,554	$72,554	$0	$0	$0	$0
(16) **Gifts and donations**	$83,486	$83,486	$0	$0		$0
(17) **Rentals of facilities**	$78,574	$0	$78,574	$0	$0	$0
(18) **Net school generated funds**	$900,390	$900,390			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$2,396,420	$0	$2,396,420	$0		$0
(21) **TOTAL REVENUES**	$45,000,784	$34,500,649	$6,489,233	$2,651,518	$1,359,384	$0
EXPENSES						
(22) **Certificated salaries**	$19,182,302	$18,954,760			$227,542	$0
(23) **Certificated benefits**	$2,077,635	$2,052,515			$25,120	$0
(24) **Uncertificated salaries and wages**	$6,792,508	$4,729,205	$1,406,127	$74,753	$582,423	$0
(25) **Uncertificated benefits**	$1,510,191	$1,071,196	$290,398	$14,457	$134,140	$0
(26) **SUB - TOTAL**	$29,562,636	$26,807,676	$1,696,525	$89,210	$969,225	$0
(27) **Services, contracts & supplies**	$9,407,958	$5,481,505	$1,554,617	$2,000,430	$371,406	$0
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$900,390	$900,390				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$2,396,420	$0	$2,396,420	$0	$0	$0
(31) Unsupported	$872,870	$855,413	$0	$0	$17,457	$0
(32) Total Amortization	$3,269,290	$855,413	$2,396,420	$0	$17,457	$0
Interest on capital debt						
(33) Supported	$565,326	$0	$565,326	$0	$0	$0
(34) Unsupported	$7,434	$0	$6,138	$0	$1,296	$0
(35) Other interest charges	$0	$0	$0	$0	$0	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$43,713,034	$34,044,984	$6,219,026	$2,089,640	$1,359,384	$0
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$1,287,750	$455,665	$270,207	$561,878	$0	$0

School Jurisdiction Code: 4208

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$941,919
Base Instruction (Gr 1-12)	$25,979,303
Outreach Programs	$0
Home Education	$783,642
Differential Cost Funding *	$7,161,450
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$57,074
Federal French Funding	$148,362
Provincial Priority Targeted Funding	
Class Size Initiative	$677,705
Student Health Initiative (SHI)	$168,829
Alberta Initiative for School Improvement (AISI)	$681,912
High Speed Networking	$0
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) P O &M 5/12th, One-time Classroom Resources, Microsoft licence	$1,349,503
Total Alberta Education Revenues	$37,949,699

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 4208

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$1,939,806	$2,304,380	$647,393		$0	$0	$4,891,579
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,450,019	$822,450	$213,777		$0		$2,486,246
ECS Program Unit (PUF)	$0	$703,520	$490,875		$0		$1,194,395
Severe Disabilities (Gr 1-12)	$74,810	$1,217,592	$40,576		$0		$1,332,978
English as a Second Language	$54,627	$69,530	$11,702		$0		$135,859
French Language Program & Francisation (all jurisdictions)	$545,092	$0	$55,605		$0		$600,697
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$430,000	$60,500	$413,469		$0		$903,969
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$265,005	$480,361	$12,510	$0	$0		$757,876
Student Health Initiative	$0	$142,068	$27,071		$0		$169,139
High Speed Networking			$27,529		$0		$27,529
Class Size	$514,196	$0	$188,900	$0	$0		$703,096
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$15,733,720	$0	$2,686,307	$673,095	$0	$1,755,803	$20,841,621
TOTAL EXPENSES	$21,007,275	$5,800,401	$4,815,714	$673,095	$0	$1,755,803	$34,044,984

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	20.3	31.4
ECS Program Unit (PUF)	0.0	28.6
Severe Disabilities (Gr 1-12)	1.0	52.7

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 4208

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$43,713,034

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	4.42%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,932,116
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$1,932,116

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,359,384
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,359,384
MAXIMUM EXPENSE LIMIT	$1,932,116
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$572,732

School Jurisdiction Code: 4208

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$240,963
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$1,144,989	$601,745	$543,244	
Student fees (Non-Instructional) (Note 2)	$496,852		$496,852	
Donations and grants to schools	$10,461		$10,461	
Other (describe): P.D. Activity	$18,903	$6,324	$12,579	
Net Additions to SGF	$1,671,205	$608,069		$1,063,136
Net SGF Available for Discretionary Spending				$1,304,099
Application of Net School Generated Funds:				
Extra-curricular activities			$821,617	
School beautification			$0	
Field Trips			$3,739	
Equipment			$2,814	
Family literacy and other community resources			$10,360	
Other (describe): Scholarships, Charities, P.D. Activity			$61,860	
Net SGF Expended for Discretionary Purposes (Note 3)				$900,390
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$403,709

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 4208

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$838,263	$331,712	$0	$0	$236,152	$1,406,127		$1,406,127
Uncertificated benefits	$172,504	$66,610	$0	$0	$51,284	$290,398		$290,398
Sub-total Remuneration	$1,010,767	$398,322	$0	$0	$287,436	$1,696,525		$1,696,525
Contracted Services	$73,103	$111,106	$0	$224,460	$17,127	$425,796		$425,796
Supplies	$139,890	$191,687	$0	$12,032	$6,722	$350,331		$350,331
Electricity			$379,759			$379,759		$379,759
Natural Gas/Heating Fuel			$280,008			$280,008		$280,008
Sewer and Water			$44,033			$44,033		$44,033
Telecommunications			$16,737			$16,737		$16,737
Insurance					$57,953	$57,953		$57,953
Amortization of capital assets								
Supported							$2,396,420	$2,396,420
Unsupported						$0		$0
Total Amortization						$0	$2,396,420	$2,396,420
Interest on capital debt								
Supported							$565,326	$565,326
Unsupported				$0		$6,138		$6,138
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,223,760	$701,115	$720,537	$236,492	$369,238	$3,257,280	$2,961,746	$6,219,026
SQUARE METRES								
School Buildings								47,785.9
Non School Buildings								1,012.2
UNCERTIFICATED FTE'S (Board/Contract)	28.4	5.2						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4208

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mary Stengler	1.0	$9,473	$1,923	$0			$11,396	$8,364
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Vijay Domingo	1.0	$5,413	$4,147	$0			$9,560	$6,963
Name	Paul Andrew	1.0	$5,413	$4,146	$0			$9,559	$1,114
Name	Amber Link	1.0	$6,766	$4,190	$0			$10,956	$2,032
Name	David Lunn	1.0	$5,413	$4,146	$0			$9,559	$1,795
Name	Dale Rolheiser	1.0	$4,511	$3,498	$0			$8,009	$1,822
Name	Ron Schreiber	1.0	$5,413	$2,936	$0			$8,349	$2,311
Name	Joanne Van Donzel	1.0	$6,766	$2,620	$0			$9,386	$4,537
Name	Rod Hertz	0.0	$880	$554	$0			$1,434	$178
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$50,048*	*$28,160*	*$0*			*$78,208*	*$29,116*
Superintendent	Peter Doyle	1.0	$117,897	$9,670	$0	$0	$0	$127,567	$10,422
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Ken Power	1.0	$92,049	$8,111	$0	$0	$0	$100,160	$2,811
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Dennis Schneider	1.0	$96,676	$17,326	$0	$0	$0	$114,002	$6,504
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		296.4	$19,064,405	$2,067,965	$0	$0	$0	$21,132,370	
Uncertificated Salaries & Wages		238.5	$6,553,735	$1,456,594	$0	$0	$0	$8,010,329	
TOTALS			**$25,974,810**	**$3,587,826**	**$0**	**$0**	**$0**	**$29,562,636**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 0052

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CLEARVIEW SCHOOL DIVISION #71
Legal Name of School Jurisdiction

4704 - 55 STREET STETTLER, ALBERTA T0C 2L2
Mailing Address

403-742-3331 403-742-1388
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CLEARVIEW SCHOOL DIVISION #71
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

PATTY DITTRICK — "ORIGINAL SIGNED"
Name — Signature

SUPERINTENDENT

EGBERT STANG — "ORIGINAL SIGNED"
Name — Signature

SECRETARY TREASURER OR TREASURER

GORDON MAJERAN — "ORIGINAL SIGNED"
Name — Signature

17-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To The Board of Trustees

Clearview School Division No. 71

We have audited the statement of financial position of the Clearview School Division No. 71 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Stettler, Alberta
October 27, 2005

Gitzel Krejci Dand Peterson
CHARTERED ACCOUNTANTS

School Jurisdiction Code: 0052

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$4,216,165	$2,823,492
Accounts receivable (net after allowances)		$863,171	$2,057,363
Prepaid expenses		$172,712	$187,955
Other current assets		$239,447	$177,245
Total current assets		$5,491,495	$5,246,055
School generated assets		$206,387	$169,075
Trust assets		$290,902	$845,819
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,208,174	$1,237,696
Buildings	$39,565,026		
Less: accumulated amortization	($15,073,470)	$24,491,556	$25,500,971
Equipment	$2,347,486		
Less: accumulated amortization	($881,172)	$1,466,314	$1,406,311
Vehicles	$5,596,777		
Less: accumulated amortization	($3,486,811)	$2,109,966	$1,905,930
Total capital assets		$29,276,010	$30,050,908
TOTAL ASSETS		$35,264,794	$36,311,857
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,669,555	$1,163,578
Deferred revenue		$498,450	$322,980
Deferred capital allocations		$71,154	$152,323
Current portion of all long term debt		$514,046	$515,217
Total current liabilities		$2,753,204	$2,154,098
School generated liabilities		$206,387	$169,075
Trust liabilities		$290,902	$845,819
Employee future benefits liability			$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$4,125,679	$4,640,896
Less: Current portion of supported debt		($514,046)	($515,217)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$20,256,701	$20,774,615
Total long term liabilities		$24,365,623	$25,915,188
TOTAL LIABILITIES		$27,118,828	$28,069,286
NET ASSETS			
Unrestricted net assets		$1,430,995	$1,504,600
Operating Reserves		$1,757,140	$1,654,804
Accumulated Operating Surplus (Deficit)		$3,188,135	$3,159,404
Investment in capital assets		$4,893,630	$4,635,396
Capital Reserves		$64,202	$447,771
Total Capital Funds		$4,957,832	$5,083,167
Total net assets		$8,145,967	$8,242,571
TOTAL LIABILITIES AND NET ASSETS		$35,264,794	$36,311,857

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0052

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$22,633,657	$22,280,450	$21,426,873
Federal Government and/or First Nations	$2,596	$4,800	$1,652
Other Alberta school authorities	$20,661	$24,000	$97,693
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$148,001	$139,270	$181,835
Transportation fees	$11,860	$16,000	$13,160
Other sales and services	$494,385	$281,380	$385,198
Investment income	$100,641	$106,000	$117,594
Gifts and donations	$92,561	$34,550	$142,612
Rentals of facilities	$44,432	$38,000	$43,045
Net school generated funds	$286,348	$200,000	$201,575
Gains on disposal of capital assets	$33,780	$2,000	$0
Amortization of capital allocations	$1,381,481	$1,374,260	$1,013,047
Total Revenues	$25,250,403	$24,500,710	$23,624,284
EXPENSES			
Certificated salaries	$11,560,797	$11,564,120	$11,316,170
Certificated benefits	$1,235,299	$1,265,910	$1,240,861
Uncertificated salaries and wages	$4,460,684	$4,238,750	$4,298,213
Uncertificated benefits	$754,808	$721,760	$743,060
Services, contracts and supplies	$4,665,798	$4,368,180	$4,244,411
Net school generated funds	$286,348	$200,000	$201,575
Capital and debt services			
Amortization of capital assets			
Supported	$1,381,481	$1,374,260	$1,013,047
Unsupported	$564,955	$529,390	$518,575
Total Amortization of capital assets	$1,946,436	$1,903,650	$1,531,622
Interest on capital debt			
Supported	$436,837	$457,000	$489,738
Unsupported	$0	$0	$0
Total Interest on capital debt	$436,837	$457,000	$489,738
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$25,347,007	$24,719,370	$24,065,650
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($96,604)	($218,660)	($441,366)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($96,604)	($218,660)	($441,366)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0052

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($96,604)	($441,366)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,381,481)	($1,013,047)
Total amortization expense	$1,946,436	$1,531,622
Gains on disposal of capital assets	($33,780)	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$1,194,192	($1,344,831)
Prepaids and other current assets	($46,959)	$13,967
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$505,977	($575,703)
Deferred revenue	$175,470	($156,132)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$2,263,250	($1,985,490)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($317,180)	($2,070,757)
Equipment	($286,300)	($805,743)
Vehicles	($568,058)	($348,294)
Net proceeds from disposal of capital assets	$33,780	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,137,758)	($3,224,794)
C. FINANCING ACTIVITIES		
Capital allocations	$267,181	$993,318
Issue of long term debt	$0	$0
Repayment of long term debt	($515,217)	($531,859)
Add back: supported portion	$515,217	$531,859
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$267,181	$993,318
Net sources (uses) of cash during year	$1,392,673	($4,216,966)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$2,823,492	$7,040,458
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,216,165	$2,823,492

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 0052

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$8,242,571	$4,635,396	$1,504,600	$2,102,575	$683,669		$844,689	$0	$125,129	$0	$1,317	$447,771	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$8,242,571	$4,635,396	$1,504,600	$2,102,575	$683,669	$0	$844,689	$0	$125,129	$0	$1,317	$447,771	$0	$0
Surplus(def) of revenue over expense	($96,604)		($96,604)											
Board funded capital transactions		$823,189	($439,620)	($383,569)	$0	$0	$0	$0	$0	$0	$0	($383,569)	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital asse'ts		($1,946,436)	$1,946,436											
Amortization of capital allocations		$1,381,481	($1,381,481)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($103,653)	$103,653	$90,351		$0		$13,302		$0		$0	
Net transfers from operating reserves			$1,317	($1,317)	$0		$0		$0		($1,317)		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$8,145,967	$4,893,630	$1,430,995	$1,821,342	$774,020	$0	$844,689	$0	$138,431	$0	$0	$64,202	$0	$0

School Jurisdiction Code: 0052

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$152,323	$20,774,615
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$152,323	$20,774,615
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$265,303	
Other Government of Alberta		
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$1,878	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$515,217
Expended capital allocations - current year	($348,350)	$348,350
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,381,481
Balance at August 31, 2005	$71,154	$20,256,701

CLEARVIEW SCHOOL DIVISION #71

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2005

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The School Division receives block allocations for instruction and support under Regulation 77/2003. The Regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are the representations of management prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies summarized below:

a. Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted donations are recognized as revenue when received or receivable. Donations in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

CLEARVIEW SCHOOL DIVISION #71

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

b. Inventories

Inventories are recorded at the lower of cost and net realizable value.

c. Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided so as to amortize the cost of the asset over its useful life. The rates of amortization are as follows:

Buildings - 2.5%-4% straight line
Equipment - 20% straight line
Vehicles - 10%-20% straight line

Only capital assets with costs in excess of $5,000 are capitalized.

d. School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s). These funds are usually collected and retained at the school for expenditures paid at the school level.

e. Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

f. Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The school division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contribution of $171,751 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 deficiency of $1,453,487,000).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

g. Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

h. Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

i. Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable, deferred revenues and debenture debt. It is management's opinion that the division is not exposed to significant interest, currency or credit risks arising from these financial instruments and that their fair values approximate their carrying values, unless otherwise noted. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. ACCOUNTS RECEIVABLE

	2005 $	2004 $
Alberta Education	22,575	182,917
Alberta Infrastructure and Transportation	424,237	1,504,174
Alberta Finance	146,837	167,011
Other Province of Alberta	3,800	5,347
Federal government	99,752	80,568
Other	165,970	17,346
	863,171	2,057,363

4. ACCOUNTS PAYABLE AND ACCRUALS

	2005 $	2004 $
Alberta Education	61,132	15,138
Accrued interest on debenture	146,837	167,011
Accrued vacation pay and early retirement	83,872	93,087
Other trade payables and accrued liabilities	1,377,713	888,342
	1,669,554	1,163,578

5. DEFERRED REVENUE

	2005 $	2004 $
IMP block funding	227,949	197,618
Other Alberta Education	20,683	-
AISI funding	80,606	47,774
Alberta Education Curriculum Initiative	60,000	-
Infrastructure Plant Operation and Maintenance Grant	32,903	-
Other	76,309	77,588
	498,450	322,980

6. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

7. LONG-TERM DEBT

The School Division has issued debentures to the Alberta Municipal Finance Corporation to finance construction of school buildings. Debentures mature from 2005 to 2020 and interest rates vary from 6.625% to 12%.

	2005 $	2004 $
Debenture debt	4,125,679	4,640,896
Due within one year	(514,046)	(515,217)
	3,611,633	4,125,679

7. LONG-TERM DEBT - continued

Principal repayments required in each of the next five fiscal years are as follows:

	$
2006 -	514,046
2007 -	514,046
2008 -	435,217
2009 -	395,742
2010 -	369,265
2011 to maturity -	1,897,363

The School Division's debentures are supported by payments from Alberta Finance. These support payments are not recorded as receivables before they are due. The effect of recording the corresponding debenture debt due within one year is to understate the working capital by the current portion of the debenture debt.

8. TRUST LIABILITIES

	2005 $	2004 $
SHIP funds	-	577,103
Endowment funds for scholarships	290,902	268,716
	290,902	845,819

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

10. ECONOMIC DEPENDENCE

The school division's primary source of income is from the Alberta government. The Division's ability to continue viable operations is dependent on this funding.

11. RELATED PARTY TRANSACTIONS

During the year the school division entered into transactions with related parties as follows:

a) The School Division received funding for operations from the Alberta government in the amount of $22,633,657 (2004-$21,426,873). In addition, Alberta government funding for capital projects totalled $265,303 (2004-$937,083).

b) The School Division has debenture debt in the amount of $4,125,679 (2004 – $4,640,896) payable to the provincial government and the principal payments are supported through provincial government funding.

c) The Alberta Teachers' Retirement Fund pension plan payments are paid by the provincial government directly to the plan on behalf of the division. The amount of these payments has not been disclosed to the division.

12. COMMITMENTS

Photocopier Leases - The School Division was committed to several photocopier leases as at August 31, 2005. The total lease payments including service contracts for these items in 2005 was $85,285 (2004 - $108,438).

13. BUDGET AMOUNTS

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on December 16, 2004. It is presented for information purposes only and has not been audited.

14. CONTINGENCIES

The School Division is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

SCHEDULE A to the AFS

School Jurisdiction Cod 0052

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$20,564,802	$16,318,499	$776,339	$2,454,546	$1,015,418	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$0	$0				
(3) Regular Operations & Maintenance support	$1,132,940		$1,132,940			
(4) Other support	$337,544	$0	$337,544			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$1,470,484	$0	$1,470,484			
(6) **Alberta Finance**	$436,837		$436,837			$0
(7) **Other - Government of Alberta**	$161,534	$111,700	$3,800	$0	$0	$46,034
(8) **Federal Government and/or First Nations**	$2,596	$0	$2,596	$0	$0	$0
(9) **Other Alberta school authorities**	$20,661	$16,489	$0	$4,172	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$148,001	$148,001				
(13) **Transportation fees**	$11,860			$11,860		
(14) **Other sales and services**	$494,385	$352,615	$5,371	$117,722	$18,677	$0
(15) **Investment income**	$100,641	$95,163	$0	$0	$5,478	$0
(16) **Gifts and donations**	$92,561	$78,087	$14,474	$0		$0
(17) **Rentals of facilities**	$44,432	$1,056	$43,376	$0	$0	$0
(18) **Net school generated funds**	$286,348	$286,348			$0	
(19) **Gains on disposal of capital assets**	$33,780		$12,500	$21,280	$0	$0
(20) **Amortization of capital allocations**	$1,381,481	$96,222	$1,285,259	$0		$0
(21) **TOTAL REVENUES**	$25,250,403	$17,504,180	$4,051,036	$2,609,580	$1,039,573	$46,034
EXPENSES						
(22) **Certificated salaries**	$11,560,797	$11,328,328			$232,469	$0
(23) **Certificated benefits**	$1,235,299	$1,215,210			$20,089	$0
(24) **Uncertificated salaries and wages**	$4,460,684	$2,156,820	$770,036	$1,194,982	$338,746	$98
(25) **Uncertificated benefits**	$754,808	$385,895	$168,498	$121,735	$78,676	$4
(26) **SUB - TOTAL**	$18,011,588	$15,086,253	$938,534	$1,316,717	$669,982	$102
(27) **Services, contracts & supplies**	$4,665,798	$1,974,215	$1,343,799	$975,801	$326,051	$45,932
(28) **Cost recoveries & charges to programs**	$0		$0	$0	$0	$0
(29) **Net school generated funds**	$286,348	$286,348				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$1,381,481	$96,222	$1,285,259	$0	$0	$0
(31) Unsupported	$564,955	$124,893	$46,607	$363,217	$30,238	$0
(32) Total Amortization	$1,946,436	$221,115	$1,331,866	$363,217	$30,238	$0
Interest on capital debt						
(33) Supported	$436,837	$0	$436,837	$0	$0	$0
(34) Unsupported	$0		$0	$0	$0	$0
(35) Other interest charges	$0	$0	$0	$0		$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$25,347,007	$17,567,931	$4,051,036	$2,655,735	$1,026,271	$46,034
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($96,604)	($63,751)	$0	($46,155)	$13,302	$0

School Jurisdiction Code: 0052

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$439,314
Base Instruction (Gr 1-12)	$12,536,163
Outreach Programs	$104,040
Home Education	$1,241
Differential Cost Funding *	$4,988,513
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$26,018
Federal French Funding	$2,621
Provincial Priority Targeted Funding	
Class Size Initiative	$323,161
Student Health Initiative (SHI)	$70,000
Alberta Initiative for School Improvement (AISI)	$298,939
High Speed Networking	$17,585
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe): Admin-$817742 Video Conf-$160000 Microsoft 1X-$3127 O&M-$776339	$1,757,208
Total Alberta Education Revenues	$20,564,802

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0052

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$752,284	$698,097	$250,470		$0	$0	$1,700,851
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$242,942	$65,422	$3,364		$0		$311,728
ECS Program Unit (PUF)	$0	$107,918	$69,156		$0		$177,074
Severe Disabilities (Gr 1-12)	$297,895	$823,945	$78,434		$0		$1,200,274
English as a Second Language		$135,632	$0		$0		$135,632
French Language Program & Francisation (all jurisdictions)	$0	$0	$2,621		$0		$2,621
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$1,354		$0		$1,354
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$179,563	$19,343	$67,097	$32,936	$0		$298,939
Student Health Initiative	$0	$70,000	$0		$0		$70,000
High Speed Networking			$131,443		$0		$131,443
Class Size	$323,161	$0	$0	$0	$0		$323,161
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$10,747,693	$622,358	$840,345	$496,995	$0	$507,463	$13,214,854
TOTAL EXPENSES	$12,543,538	$2,542,715	$1,444,284	$529,931	$0	$507,463	$17,567,931

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	3.2	4.0
ECS Program Unit (PUF)	0.0	7.8
Severe Disabilities (Gr 1-12)	3.7	32.9

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0052

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	$25,347,007

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	5.79%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,467,592
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment		
	$0	$0
MAXIMUM EXPENSE LIMIT		$1,467,592

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,026,271
PLUS: transfers to Restricted - Operating (Board/System Administration)	$13,302
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,039,573
MAXIMUM EXPENSE LIMIT	$1,467,592
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$428,019

School Jurisdiction Code: 0052

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$169,075
Source of Net School Generated Funds:				
Fundraising activities	$371,279	$236,870	$134,409	
Student fees (Non-Instructional) (Note 2)	$106,486		$106,486	
Donations and grants to schools	$34,236		$34,236	
Other (describe): yearbooks,clothing, etc	$48,529	$0	$48,529	
Net Additions to SGF	$560,530	$236,870		$323,660
Net SGF Available for Discretionary Spending				$492,735
Application of Net School Generated Funds:				
Extra-curricular activities			$113,575	
School beautification			$0	
Field Trips			$28,713	
Equipment			$0	
Family literacy and other community resources			$11,467	
Other (describe): costs related to fees collected. yearbooks,clothing,, books,cd's.			$132,593	
Net SGF Expended for Discretionary Purposes (Note 3)				$286,348
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$206,387

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0052

SCHEDULE F to the AFS

Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$578,062	$106,074	$0	$0	$85,900	$770,036		$770,036
Uncertificated benefits	$129,716	$23,936	$0	$0	$14,846	$168,498		$168,498
Sub-total Remuneration	$707,778	$130,010	$0	$0	$100,746	$938,534		$938,534
Contracted Services	$4,028	$76,991	$0	$337,544	$3,237	$421,800		$421,800
Supplies	$89,081	$81,320	$0	$0	$3,072	$173,473		$173,473
Electricity			$404,260			$404,260		$404,260
Natural Gas/Heating Fuel			$256,916			$256,916		$256,916
Sewer and Water			$35,184			$35,184		$35,184
Telecommunications			$6,042			$6,042		$6,042
Insurance					$46,124	$46,124		$46,124
Amortization of capital assets								
Supported							$1,285,259	$1,285,259
Unsupported						$46,607		$46,607
Total Amortization						$46,607	$1,285,259	$1,331,866
Interest on capital debt								
Supported							$436,837	$436,837
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$800,887	$288,321	$702,402	$337,544	$153,179	$2,328,940	$1,722,096	$4,051,036
SQUARE METRES								
School Buildings								38,561.3
Non School Buildings								2,900.0
UNCERTIFICATED FTE'S (Board/Contract)	16.6	2.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modemization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modemization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 0052

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005

(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Patty Dittnick	1.0	$20,225	$3,374	$0			$23,599	$7,150
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Ken Checkel	1.0	$11,074	$3,260	$0			$14,334	$6,383
Name	Karen Holloway	1.0	$13,468	$3,089	$0			$16,557	$7,844
Name	Dave Ellis	1.0	$11,684	$3,236	$0			$14,920	$5,193
Name	John Schofer	1.0	$7,078	$3,036	$0			$10,114	$3,040
Name	Ruth Marshall	1.0	$10,781	$1,620	$0			$12,401	$5,000
Name	Yvette Cassidy	1.0	$10,287	$3,183	$0			$13,470	$5,797
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$84,597*	*$20,798*	*$0*			*$105,395*	*$40,407*
Superintendent	Egbert Stang	1.0	$121,976	$8,964	$0	$0	$0	$130,940	$9,750
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Gordon Majeran	1.0	$82,575	$16,109	$0	$0	$0	$98,684	$4,993
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		159.2	$11,438,821	$1,226,335	$0	$0	$0	$12,665,156	
Uncertificated Salaries & Wages		223.0	$4,293,512	$717,900	$0	$0	$0	$5,011,412	
TOTALS			**$16,021,481**	**$1,990,106**	**$0**	**$0**	**$0**	**$18,011,567**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 4330

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

East Central Alberta Catholic Separate Schools Regional Division No. 16
Legal Name of School Jurisdiction

223-10 Street, Wainwright, Alberta T9W 1N7
Mailing Address

Telephone (780) 842-3992 and Fax Number (780) 842-5322
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules East Central Alberta Catholic Separate Schools Regional Division No. 16
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Myron Ganser	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT	
Valerie Burgardt	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Iveta Paulik	"ORIGINAL SIGNED"
Name	**Signature**

28-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To the Board of Trustees
East Central Alberta Catholic Separate Schools Regional Division No. 16

We have audited the statement of financial position of the East Central Alberta Catholic Separate Schools Regional Division No. 16 as at August 31, 2005 and the related statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

'Original Signed'
Meyers Norris Penny LLP

Chartered Accountants

Wainwright, Alberta
November 15, 2005

School Jurisdiction Code: 4330

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004 Restated
ASSETS			
Current assets			
Cash and temporary investments		$4,604,216	$3,242,480
Accounts receivable (net after allowances)		$2,006,451	$3,473,844
Prepaid expenses		$90,884	$96,410
Other current assets		$0	$0
Total current assets		$6,701,551	$6,812,734
School generated assets		$216,861	$186,282
Trust assets		$40,000	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$49,698	$49,698
Buildings	$20,421,076		
Less: accumulated amortization	($3,641,318)	$16,779,758	$14,733,468
Equipment	$99,479		
Less: accumulated amortization	($20,322)	$79,157	$63,656
Vehicles	$212,400		
Less: accumulated amortization	($193,070)	$19,330	$27,070
Total capital assets		$16,927,943	$14,873,892
TOTAL ASSETS		$23,886,355	$21,872,908
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,242,525	$1,891,000
Deferred revenue		$788,104	$646,009
Deferred capital allocations		$1,403,367	$1,370,761
Current portion of all long term debt		$232,564	$232,564
Total current liabilities		$3,666,560	$4,140,334
School generated liabilities		$216,861	$186,282
Trust liabilities		$40,000	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$27,296	$0
Long term debt			
Supported: Debentures and other supported debt		$818,320	$1,050,884
Less: Current portion of supported debt		($232,564)	($232,564)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$14,687,973	$12,815,458
Total long term liabilities		$15,557,886	$13,820,060
TOTAL LIABILITIES		$19,224,446	$17,960,394
NET ASSETS			
Unrestricted net assets		$1,200,872	$1,099,693
Operating Reserves		$1,576,550	$1,233,971
Accumulated Operating Surplus (Deficit)		$2,777,422	$2,333,664
Investment in capital assets		$1,421,668	$1,007,568
Capital Reserves		$462,819	$571,282
Total Capital Funds		$1,884,487	$1,578,850
Total net assets		$4,661,909	$3,912,514
TOTAL LIABILITIES AND NET ASSETS		$23,886,355	$21,872,908

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 4330

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005 Restated	Actual 2004 Restated
REVENUES			
Government of Alberta	$17,352,043	$17,221,570	$16,683,870
Federal Government and/or First Nations	$0	$0	
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$115,560	$110,000	$108,639
Transportation fees	$6,200	$8,600	$8,586
Other sales and services	$316,397	$18,671	$742,991
Investment income	$92,182	$90,000	$29,004
Gifts and donations	$22,690	$20,000	$2,556
Rentals of facilities	$12,746	$10,416	$0
Net school generated funds	$198,438	$200,000	$689,841
Gains on disposal of capital assets	$0	$0	$23,866
Amortization of capital allocations	$446,181	$553,108	$214,987
Total Revenues	$18,562,437	$18,232,365	$18,504,340
EXPENSES			
Certificated salaries	$9,531,096	$9,456,549	$9,795,941
Certificated benefits	$956,338	$1,009,404	$980,728
Uncertificated salaries and wages	$1,684,587	$1,603,799	$1,714,810
Uncertificated benefits	$414,215	$430,035	$376,675
Services, contracts and supplies	$4,400,425	$4,271,894	$4,163,593
Net school generated funds	$198,438	$200,000	$689,841
Capital and debt services			
Amortization of capital assets			
Supported	$446,181	$553,108	$214,987
Unsupported	$73,187	$63,619	$70,696
Total Amortization of capital assets	$519,368	$616,727	$285,683
Interest on capital debt			
Supported	$108,575	$108,575	$134,352
Unsupported	$0	$0	$0
Total Interest on capital debt	$108,575	$108,575	$134,352
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$17,813,042	$17,696,983	$18,141,623
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$749,395	$535,382	$362,717
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$749,395	$535,382	$362,717

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 4330

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$749,395	$362,717
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($446,181)	($214,987)
Total amortization expense	$519,368	$285,683
Gains on disposal of capital assets	$0	($23,866)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$1,467,393	$805,159
Prepaids and other current assets	$5,526	$101,886
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($621,179)	$680,191
Deferred revenue	$142,095	($29,461)
Employee future benefit expense (recovery)	$0	$0
Other (describe) Allocations not received/paid in cash	$716,935	$2,611,452
Total sources (uses) of cash from Operations	$2,533,352	$4,578,774
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,547,757)	($2,999,038)
Equipment	($25,662)	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$69,400
Other (describe) Allocations not paid in cash	$381,103	$0
Total sources (uses) of cash from Investing activities	($2,192,316)	($2,929,638)
C. FINANCING ACTIVITIES		
Capital allocations	$2,118,738	$3,282,995
Issue of long term debt	$0	$0
Repayment of long term debt	($232,564)	($256,954)
Add back: supported portion	$232,564	$256,954
Other (describe) Allocations not received in cash	($1,098,038)	($2,611,452)
Total sources (uses) of cash from Financing activities	$1,020,700	$671,543
Net sources (uses) of cash during year	$1,361,736	$2,320,679
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$3,242,480	$921,801
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$4,604,216	$3,242,480

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements

2 Cash and temporary investments are net of cash obligations

School Jurisdiction 4330

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$3,912,514	$1,007,568	$1,099,693	$1,805,253	$770,971	$531,282	$182,007	$0	$271,903	$0	$9,090	$40,000	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$3,912,514	$1,007,568	$1,099,693	$1,805,253	$770,971	$531,282	$182,007	$0	$271,903	$0	$9,090	$40,000	$0	$0
Surplus(def) of revenue over expenses	$749,395		$749,395											
Board funded capital transactions		$487,287		($487,287)	$0	($340,054)	($147,233)	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($519,368)	$519,368											
Amortization of capital allocations		$446,181	($446,181)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($489,812)	$489,812	$403,826		$85,986		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($231,591)	$231,591		$22,850		$0		$98,741		$110,000		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$4,661,909	$1,421,668	$1,200,872	$2,039,369	$1,174,797	$214,078	$120,760	$0	$271,903	$98,741	$9,090	$150,000	$0	$0

School Jurisdiction Code: 4330

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$1,370,761	$12,612,774
Prior period adjustment	$0	$202,684
Adjusted balance, August 31, 2004	$1,370,761	$12,815,458
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$2,086,132	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$32,606	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$232,564
Expended capital allocations - current year	($2,086,132)	$2,086,132
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$446,181
Balance at August 31, 2005	$1,403,367	$14,687,973

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings - 2.5 to 4%
Equipment - 10 to 20%
Vehicles - 10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenues over the same period as the amortization expense.

c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

f) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

g) Financial Instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, school generated assets and liabilities, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year. The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teacher Pension Plan Act, the East Central Alberta Catholic Separate Schools Regional Division No. 16 does not make pension contributions for certificated staff.

j) Investments

Temporary investments are valued at the lower of cost or market.

3. CASH AND TEMPORARY INVESTMENTS

	2005	2004
Cash	$ 682,452	$ 3,242,480
Temporary Investments	3,921,764	—
	$ 4,604,216	$ 3,242,480

The jurisdiction has designated funds for both deferred capital contributions and operating and capital reserves. The investments are redeemable guaranteed investment ceritificates. They bear interest at prime rate less 2.05% and mature in November 2005 and February 2006.

4. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	$ 216,474	$ 36,185
Alberta Infrastructure and Transportation	1,187,877	460,959
Alberta Finance	45,769	58,222
Other Province of Alberta	4,800	4,800
Federal Government	253,370	123,676
Alberta Municipalities	165,934	201,413
Other Alberta School Jurisdictions	95,579	—
Other Accounts Receivable	36,648	2,588,589
	$ 2,006,451	$ 3,473,844

Included in the above figures are $82,628 of receivables which have been outstanding for more than one year.

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2005	Net Book Value 2004
Land	$ 49,698	$ —	$ 49,698	$ 49,698
Buildings	20,421,076	3,641,318	16,779,758	14,733,468
Equipment	99,479	20,322	79,157	63,656
Vehicles	212,400	193,070	19,330	27,070
	$ 20,782,653	$ 3,854,710	$ 16,927,943	$ 14,873,892

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Alberta Education	$ 463,069	$ 1,457,994
Alberta Finance	45,769	58,222
Other Alberta School Jurisdictions	27,296	—
Other Trade Payables and Accrued Liabilities	706,391	374,784
	$ 1,242,525	$ 1,891,000

7. DEFERRED REVENUE

	2005	2004
Alberta Infrastructure and Transportation		
Infrastructure Maintenance Program	$ 385,763	$ 363,262
Infrastructure Modernization Grant	73,277	73,277
Alberta Education		
Alberta Initiative for School Improvement	100,773	69,011
2003/2004 One Time Identified Shortfalls Grant	107,885	107,885
2004/2005 Videoconferencing Grant	32,132	—
2004/2005 One Time Classroom Resource Grant	69,000	—
Other Deferred Revenues	19,274	32,574
	$ 788,104	$ 646,009

8. LONG TERM DEBT

The debenture debt bears interest at rates varying between 8.5% and 12%. The debenture debt is fully supported by Alberta Finance. Interest paid on long term debt during 2005 was $108,575 (2004 - $134,352). Debenture payments due over the next five years are as follows:

	Principal	Interest	Total
2005-2006	$ 232,564	84,849	$ 317,413
2006-2007	232,564	61,123	293,687
2007-2008	193,405	37,397	230,802
2008-2009	109,787	17,440	127,227
2009-2010	50,000	5,368	55,368
	$ 818,320	$ 206,177	$ 1,024,497

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations expended, as well as fully-supported debenture principal repayments.

	2005	2004
Opening balance	$ 12,815,458	$ 9,921,073
Debenture and loan principal repaid	232,564	256,955
Amortization for the year	(446,181)	(214,987)
Net capital allocations	2,086,132	2,852,417
	$ 14,687,973	$ 12,815,458

11. OPERATING RESERVES

	Opening	Transfer to Reserve	Transfer from Reserve	Closing
Schools	$ 770,970	$ 403,826	$ —	$ 1,174,796
Administration	271,903	—	—	271,903
Operations/maintenance	182,007	85,986	(147,233)	120,760
Transportation	9,090	—	—	9,090
	$ 1,233,971	$ 489,812	$ (147,233)	$ 1,576,550

12. CAPITAL RESERVES

	Opening	Transfer to Reserve	Transfer from Reserve	Closing
Buildings	$ 302,400	$ 121,591	$ (111,172)	$ 312,819
Equipment	228,882	—	(228,882)	0
Vehicles	40,000	110,000	—	150,000
	$ 571,282	$ 231,591	$ (340,054)	$ 462,819

13. CONTINGENCIES

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

Contingent Liability

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

14. OPERATING LEASE COMMITMENTS

Christ-King School

The jurisdiction is committed to lease school space until August 1, 2006 with 2 three year options to renew the lease agreement. The annual payment of $54,800 is supported by Alberta Infrastructure and Transportation.

15. PRIOR PERIOD ADJUSTMENT

Capital Assets and Unamortized Capital Allocations

During the year, it was discovered that supported amortization expense and amortization of capital allocations recorded during the 2003 and 2004 fiscal years were overstated, due to amortization being recorded in error on the Blessed Sacrament building which was destroyed by fire in 2002. As a result, a prior period adjustment has been recorded to decrease accumulated amortization on buildings by $202,684. The effect of this adjustment is an increase of $202,684 in the net book value of buildings and an increase of $202,684 in unamortized capital allocations, as the building was fully supported. The comparative figures have been restated and there is no effect on net assets.

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The East Central Alberta Catholic Separate Schools Regional Division No. 16's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. SIGNIFICANT TRANSACTIONS

During the 2004-2005 school year, the jurisdiction received the final insurance settlement in the amount of $271,451 for the losses and damages suffered due to the Blessed Sacrament School fire on September 26, 2001. These funds have been included in other sales and services revenue. Of this amount, $148,202 has been internally restricted to replace school building contents lost in the fire and has been included in school operating reserves.

On August 29, 2005, the jurisdiction signed the Mutual Release Agreement with all the defendants named in the insurance tort action and released them from any and all claims the jurisdiction may have as a result of the fire.

Subsequent to August 31, 2005, the jurisdiction received a final report from their legal counsel stating that all litigation with respect to the fire at Blessed Sacrament School was concluded.

18. SUBSEQUENT EVENT

Subsequent to the date of the financial statements, the jurisdication entered into an agreement to purchase the Waverly School building in Stettler, to be used as the new location for the Christ-King School. The effective date of the transfer has yet to be determined; however, it is expected to take place on or before August 31, 2006. The purchase price of the building is approximately $1,200,000 and will be fully supported by Alberta Infrastructure and Transportation. In the meantime, the jurisdiction has agreed to lease the premises from the Clearview School Division for annual rent of $47,400.

19. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

20. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 4330

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$16,530,237	$15,223,361	$416,717	$27,808	$862,351	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$125,028	$0	$125,028			
(3)	Regular Operations & Maintenance support	$583,403		$583,403			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$708,431	$0	$708,431			
(6)	**Alberta Finance**	$108,575		$108,575			$0
(7)	**Other - Government of Alberta**	$4,800	$3,414	$1,386			$0
(8)	**Federal Government and/or First Nations**	$0	$0	$0	$0	$0	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$115,560	$115,560				
(13)	**Transportation fees**	$6,200			$6,200		
(14)	**Other sales and services**	$316,397	$304,745	$7,364		$4,288	$0
(15)	**Investment income**	$92,182	$0	$0	$0	$92,182	$0
(16)	**Gifts and donations**	$22,690	$2,690	$0	$20,000		$0
(17)	**Rentals of facilities**	$12,746	$0	$0	$0	$12,746	$0
(18)	**Net school generated funds**	$198,438	$198,438			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$446,181	$0	$446,181	$0		$0
(21)	**TOTAL REVENUES**	$18,562,437	$15,848,208	$1,688,654	$54,008	$971,567	$0
	EXPENSES						
(22)	**Certificated salaries**	$9,531,096	$9,378,566			$152,530	$0
(23)	**Certificated benefits**	$956,338	$943,481			$12,857	$0
(24)	**Uncertificated salaries and wages**	$1,684,587	$1,202,443	$175,847	$22,820	$283,477	$0
(25)	**Uncertificated benefits**	$414,215	$319,602	$43,822	$1,702	$49,089	$0
(26)	**SUB - TOTAL**	$12,586,237	$11,844,092	$219,669	$24,522	$497,953	$0
(27)	**Services, contracts & supplies**	$4,400,425	$3,130,687	$762,796	$132,068	$374,873	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$198,438	$198,438				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$446,181	$0	$446,181	$0	$0	$0
(31)	Unsupported	$73,187	$0	$65,447	$7,740	$0	$0
(32)	Total Amortization	$519,368	$0	$511,628	$7,740	$0	$0
	Interest on capital debt						
(33)	Supported	$108,575	$0	$108,575	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$0	$0	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$17,813,042	$15,173,217	$1,602,668	$164,331	$872,826	$0
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$749,395	$674,991	$85,986	($110,323)	$98,741	$

School Jurisdiction Code: 4330

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$223,380
Base Instruction (Gr 1-12)	$12,911,161
Outreach Programs	$52,020
Home Education	$329,518
Differential Cost Funding *	$1,814,371
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$29,243
Federal French Funding	$2,201
Provincial Priority Targeted Funding	
Class Size Initiative	$362,068
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$348,843
High Speed Networking	$15,541
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe)	$441,891
Total Alberta Education Revenues	$16,530,237

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 4330

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$883,312	$738,541	$536,875		$0	$0	$2,158,728
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$554,572	$68,845	$152,258		$0		$775,675
ECS Program Unit (PUF)	$0	$29,445	$6,973		$0		$36,418
Severe Disabilities (Gr 1-12)	$248,721	$408,350	$97,572		$0		$754,643
English as a Second Language	$56,165	$0	$0		$0		$56,165
French Language Program & Francisation (all jurisdictions)	$0	$0	$0		$0		$0
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$90,261	$38,035	$51,595		$0		$179,891
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$98,531	$153,089	$97,223	$0	$0		$348,843
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$15,541		$0		$15,541
Class Size	$385,849	$0	$0	$0	$0		$385,849
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$8,004,636	$85,740	$2,172,650	$0	$0	$0	$10,461,464
TOTAL EXPENSES	$10,322,047	$1,522,045	$3,130,687	$0	$0	$0	$15,173,217

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	4.1	2.4
ECS Program Unit (PUF)	0.0	1.3
Severe Disabilities (Gr 1-12)	7.0	14.4

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest; and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 4330

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES		$17,813,042

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	5.57%
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$991,563
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		$991,563

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$872,826
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$872,826
MAXIMUM EXPENSE LIMIT	$991,563
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$118,737

School Jurisdiction Code: 4330

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$186,282
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$244,766	$145,342	$99,424	
Student fees (Non-Instructional) (Note 2)	$1,427		$1,427	
Donations and grants to schools	$38,352		$38,352	
Other (describe) Graduation, interest, yearbook sales, etc	$113,052	$23,238	$89,814	
Net Additions to SGF	$397,597	$168,580		$229,017
Net SGF Available for Discretionary Spending				$415,299
Application of Net School Generated Funds:				
Extra-curricular activities			$59,354	
School beautification			$18,120	
Field Trips			$40,949	
Equipment			$27,079	
Family literacy and other community resources			$7,594	
Other (describe) Graduation, miscellaneous office expenses, etc			$45,342	
Net SGF Expended for Discretionary Purposes (Note 3)				$198,438
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$216,861

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1	Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.
Note 2	Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.
Note 3	Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.
Note 4	Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 4330

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$156,414	$0	$9,717	$0	$9,717	$175,847		$175,847
Uncertificated benefits	$35,607	$0	$4,107	$0	$4,107	$43,822		$43,822
Sub-total Remuneration	$192,021	$0	$13,824	$0	$13,824	$219,669		$219,669
Contracted Services	$141,781	$239,394	$0	$3,457	$24,057	$408,688		$408,688
Supplies	$0	$43,109	$0		$0	$43,109		$43,109
Electricity			$152,933			$152,933		$152,933
Natural Gas/Heating Fuel			$107,498			$107,498		$107,498
Sewer and Water			$22,148			$22,148		$22,148
Telecommunications			$0			$0		$0
Insurance					$28,419	$28,419		$28,419
Amortization of capital assets								
Supported							$446,181	$446,181
Unsupported						$65,447		$65,447
Total Amortization						$65,447	$446,181	$511,628
Interest on capital debt								
Supported							$108,575	$108,575
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$333,803	$282,503	$296,404	$3,457	$66,300	$1,047,912	$554,756	$1,602,668
SQUARE METRES								
School Buildings								18,395.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	4.6	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 4330

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Myron Ganser	1.0	$6,075	$132	$0			$6,207	$4,668
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Harry Loonen	1.0	$3,525	$292	$0			$3,817	$2,608
Name	Larry Wasylik	1.0	$7,050	$1,592	$0			$8,642	$6,567
Name	Chris Nichols	1.0	$2,925	$3,927	$0			$6,852	$3,102
Name	Rob Nichols	0.9	$3,900	$3,342	$0			$7,242	$3,419
Name	Mardy Charlebois	0.9	$3,225	$39	$0			$3,264	$3,881
Name	Debra Klein	0.9	$2,700	$3,289	$0			$5,989	$3,190
Name	Jim Brady	0.9	$5,550	$129	$0			$5,679	$5,166
Name	Greg Barr	0.1	$300	$487	$0			$787	$0
Name	Beth Breunig	0.1	$300	$638	$0			$938	$0
Name	Duane Nichols	0.1	$750	$935	$0			$1,685	$344
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$36,300*	*$14,802*	*$0*			*$51,102*	*$32,947*
Superintendent	Valerie Burgardt	1.0	$113,763	$7,999	$0	$0	$0	$121,763	$20,893
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Iveta Paulik	1.0	$92,035	$12,991	$0	$0	$0	$105,026	$6,349
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		129.7	$9,417,333	$948,339	$0	$0	$0	$10,365,672	
Uncertificated Salaries & Wages		49.0	$1,556,252	$386,422	$0	$0	$0	$1,942,674	
TOTALS			**$11,215,683**	**$1,370,553**	**$0**	**$0**	**$0**	**$12,586,236**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 8060

AUDITED FINANCIAL STATEMENTS

and Supporting Schedules

FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

East Central Francophone Education Region No. 3
Legal Name of School Jurisdiction

P.O. Box 249, St-Paul, Alberta, T0A 3A0
Mailing Address

Tel:780-645-3888 Fax:780-645-2045
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules East Central Francophone Education Region No. 3 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Réginald Roy — Name
"original signed" — Signature

SUPERINTENDENT

Donald Michaud — Name
"original signed" — Signature

SECRETARY TREASURER OR TREASURER

Claude Lampron — Name
"original signed" — Signature

29-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

TO THE BOARD OF TRUSTEES

East Central Francophone Education Region No. 3

We have audited the statement of financial position of the East Central Francophone Education Region No. 3 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

"original signed'

ST. PAUL, ALBERTA
November 21, 2005

JOLY, MC^{C}ARTHY & DION
CHARTERED ACCOUNTANTS

School Jurisdiction Code: 8060

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$420,189	$4,549,905
Accounts receivable (net after allowances)		$1,298,312	$418,115
Prepaid expenses		$141,134	$55,096
Other current assets		$0	$0
Total current assets		$1,859,635	$5,023,116
School generated assets		$73,107	$53,438
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$126,554	$126,554
Buildings	$16,533,128		
Less: accumulated amortization	($2,138,402)	$14,394,726	$8,830,077
Equipment	$771,206		
Less: accumulated amortization	($327,024)	$444,182	$387,289
Vehicles	$84,292		
Less: accumulated amortization	($28,133)	$56,159	$73,017
Total capital assets		$15,021,621	$9,416,937
TOTAL ASSETS		$16,954,363	$14,493,491
LIABILITIES			
Current liabilities			
Bank indebtedness		$460,000	$430,000
Accounts payable and accrued liabilities		$1,348,686	$450,747
Deferred revenue		$268,220	$238,898
Deferred capital allocations		$665,609	$4,913,244
Current portion of all long term debt		$12,333	$53,519
Total current liabilities		$2,754,848	$6,086,408
School generated liabilities		$73,107	$53,438
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$41,186
Less: Current portion of supported debt		$0	($41,186)
Unsupported: Debentures and Capital Loans		$35,920	$48,252
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($12,333)	($12,333)
Unamortized capital allocations		$14,654,869	$8,970,469
Total long term liabilities		$14,751,563	$9,059,826
TOTAL LIABILITIES		$17,506,411	$15,146,234
NET ASSETS			
Unrestricted net assets		($882,880)	($1,009,773)
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		($882,880)	($1,009,773)
Investment in capital assets		$330,832	$357,030
Capital Reserves		$0	$0
Total Capital Funds		$330,832	$357,030
Total net assets		($552,048)	($652,743)
TOTAL LIABILITIES AND NET ASSETS		$16,954,363	$14,493,491

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 8060

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$6,652,240	$6,073,492	$5,321,845
Federal Government and/or First Nations	$16,594	$287,043	$19,089
Other Alberta school authorities	$55,218		$0
Out of province authorities	$0		$0
Alberta Municipalities (excluding supplementary requisitions)	$0		$0
Instruction resource fees	$22,614	$23,630	$24,618
Transportation fees	$4,900		$3,721
Other sales and services	$40,013		$0
Investment income	$1,722		$6,928
Gifts and donations	$5,843		$974
Rentals of facilities	$0		$0
Net school generated funds	$37,741	$50,000	$25,667
Gains on disposal of capital assets	$0		$0
Amortization of capital allocations	$720,931	$376,549	$403,224
Total Revenues	$7,557,816	$6,810,714	$5,806,066
EXPENSES			
Certificated salaries	$3,399,502	$3,311,444	$3,256,962
Certificated benefits	$370,935	$387,078	$377,165
Uncertificated salaries and wages	$699,828	$630,492	$666,691
Uncertificated benefits	$155,156	$178,220	$162,103
Services, contracts and supplies	$2,026,793	$1,798,644	$1,871,436
Net school generated funds	$37,741	$50,000	$25,667
Capital and debt services			
Amortization of capital assets			
Supported	$345,750	$376,549	$403,224
Unsupported	$38,531	$36,270	$28,768
Total Amortization of capital assets	$384,281	$412,819	$431,992
Interest on capital debt			
Supported	$322	$0	$4,144
Unsupported	$0	$0	$0
Total Interest on capital debt	$322	$0	$4,144
Other interest charges	$7,382	$40,000	$6,491
Losses on disposal of capital assets	$375,181	$0	$0
Total Expenses	$7,457,121	$6,808,697	$6,802,651
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$100,695	$2,017	($996,585)
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$100,695	$2,017	($996,585)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 8060

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$100,695	($996,585)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($720,931)	($403,224)
Total amortization expense	$384,281	$431,992
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$375,181	$0
Changes in accrued accounts:		
Accounts receivable	($880,197)	$394,009
Prepaids and other current assets	($86,038)	($6,860)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$897,939	$356,413
Deferred revenue	$29,322	($38,145)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$100,252	($262,400)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($6,231,848)	($810,523)
Equipment	($132,298)	($85,798)
Vehicles	$0	($27,916)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($6,364,146)	($924,237)
C. FINANCING ACTIVITIES		
Capital allocations	$2,116,510	$343,092
Issue of long term debt	$0	$29,216
Repayment of long term debt	($53,518)	($48,650)
Add back: supported portion	$41,186	$41,186
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$2,104,178	$364,844
Net sources (uses) of cash during year	($4,159,716)	($821,793)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$4,119,905	$4,941,698
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	($39,811)	$4,119,905

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 8060

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	($652,743)	$357,030	($1,009,773)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	($652,743)	$357,030	($1,009,773)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$100,695		$100,695											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($384,281)	$384,281											
Amortization of capital allocations		$720,931	($720,931)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	($375,181)	$375,181	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$12,333	($12,333)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	($552,048)	$330,832	($882,880)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 8060

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$4,913,244	$8,970,469
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$4,913,244	$8,970,469
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$2,050,041	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$66,469	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$41,186
Expended capital allocations - current year	($6,364,145)	$6,364,145
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$720,931
Balance at August 31, 2005	$665,609	$14,654,869

EAST CENTRAL FRANCOPHONE EDUCATION REGION NO. 3
NOTES TO THE SUMMARY FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2005

1. Authority and Purpose

The School Jurisdiction delivers education programs under the authority of the School Act. Revised statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on certain funding allocations and administration expenses.

The jurisdiction is exempt from tax under the Income Tax Act.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the contributions.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

2. **Summary of Significant Accounting Policies** (continued)

b) Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5-4%
Equipment	10-20%
Vehicles	20%

Only capital assets with costs in excess of $5,000 are capitalized. The amortization of the asset will commence in the fiscal year following the year of acquisition. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds which come under the control and responsibility of the school principal for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trips, etc.).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

f) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school jurisdiction to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school-generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

2. Summary of Significant Accounting Policies (continued)

h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction to set aside funds for operating and capital purposes. Such reserves are appropriations of unrestricted net assets.

i) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the East Central Francophone Education Region No. 3 does not make pension contributions for certified staff.

The school board along with the active uncertified members contribute to an RRSP plan. The employer expense for this pension plan is $31,037 for the year ended August 31, 2005. ($29,997-2004)

3. Accounts Receivable

	2005	2004
Alberta Education	$ 132,816	$ 44,608
Alberta Infrastructure and Transportation	852,131	274,930
Alberta Finance	--	3,480
Federal Government	60,000	--
Other	253,365	95,097
	$ 1,298,312	$ 418,115

4. Bank Indebtedness

The jurisdiction has negotiated a line of credit in the amount of $500,000 that bears interest at the bank prime minus .25%. This line of credit is secured by a borrowing resolution and a promissory note.

5. Accounts Payable and Accrued Liabilities

	2005	2004
Alberta Education	$ --	$ 1,726
Alberta Finance	--	3,480
Other	1,348,686	445,541
	$ 1,348,686	$ 450,747

6. Deferred Revenue

	2005	2004
Infrastructure Maintenance Program	$ 182,510	$ 137,435
Infrastructure Plant Operations and Maintenance grant	--	101,203
Modernization block funding	37,782	260
Minor modernization funding	9,636	--
Technology Integration funding	38,292	--
	$ 268,220	$ 238,898

7. Deferred Capital Allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

8. Long Term Debt

	2005	2004
Debenture - Supported Alberta Municipal Financing Corporation debenture due in the year 2005, payable in annual instalments of $41,186 plus interest at an average rate of 9.2%. Secured by School Jurisdiction assets.	$ --	$ 41,186
GMAC Loans - Unsupported GMAC loan, due in year 2009 payable $487 monthly without interest. Secured by vehicle.	22,399	28,242
GMAC loan, due in year 2008 payable $541 monthly without interest. Secured by vehicle.	13,521	20,010
	35,920	89,438
Less: Current portion of long term debt	12,333	53,519
	$ 23,587	$ 35,919

The principal due over the next four years are as follows:

2006	$ 12,333
2007	12,333
2008	6,384
2009	4,870
	$ 35,920

9. Unamortized Capital Allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been expended, but have yet to be amortized over the useful life of the related capital asset. The unamortized capital allocations account balance is increased by transfers of deferred capital allocations expended, as well as fully-supported debenture principal repayments.

10. Economic Dependence on Related Third Party

The school jurisdiction's primary source of income is from the Alberta Government. The jurisdiction's ability to continue viable operations is dependent on this funding.

11. Budget Amounts

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. Commitments

a) Leases
The school jurisdiction currently leases its administration offices. The future minimum payments under this operating lease is as follows:

2006	$ 7,800
2007	7,800
2008	7,800
2009	7,800
2010	7,800
2011	1,300
	$ 40,300

b) Building Projects
The jurisdiction is committed to further capital expenditures for the completion of the new school at École Voyageur of approximately $277,575. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure and Transportation.

13. Contingencies

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange, called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of equity is subject to liability claims.

14. Comparative Figures

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

School Jurisdiction Cod 8060

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$6,142,818	$4,650,138	$254,214	$830,466	$408,000	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$24,551	$0	$24,551			
(3) Regular Operations & Maintenance support	$459,852		$459,852			
(4) Other support	$6,113	$0	$6,113			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$490,516	$0	$490,516			
(6) **Alberta Finance**	$322		$322			$0
(7) **Other - Government of Alberta**	$18,584	$17,000	$1,584	$0	$0	$0
(8) **Federal Government and/or First Nations**	$16,594	$15,715	$879	$0	$0	$0
(9) **Other Alberta school authorities**	$55,218	$568	$0	$0	$0	$54,650
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$22,614	$22,614				
(13) **Transportation fees**	$4,900			$4,900		
(14) **Other sales and services**	$40,013	$0	$0	$0	$500	$39,513
(15) **Investment income**	$1,722	$1,722	$0	$0	$0	$0
(16) **Gifts and donations**	$5,843	$5,843	$0	$0		$0
(17) **Rentals of facilities**	$0	$0	$0	$0	$0	$0
(18) **Net school generated funds**	$37,741	$37,741			$0	
(19) **Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20) **Amortization of capital allocations**	$720,931	$54,742	$666,189	$0		$0
(21) **TOTAL REVENUES**	$7,557,816	$4,806,083	$1,413,704	$835,366	$408,500	$94,163
EXPENSES						
(22) **Certificated salaries**	$3,399,502	$3,293,937			$105,135	$430
(23) **Certificated benefits**	$370,935	$363,052			$7,860	$23
(24) **Uncertificated salaries and wages**	$699,828	$415,873	$73,254	$29,571	$116,130	$65,000
(25) **Uncertificated benefits**	$155,156	$117,294	$15,492	$5,280	$14,164	$2,926
(26) **SUB - TOTAL**	$4,625,421	$4,190,156	$88,746	$34,851	$243,289	$68,379
(27) **Services, contracts & supplies**	$2,026,793	$429,878	$655,848	$735,722	$179,561	$25,784
(28) **Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29) **Net school generated funds**	$37,741	$37,741				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$345,750	$53,579	$292,171	$0	$0	$0
(31) Unsupported	$38,531	$15,997	$11,374	$3,720	$7,440	$0
(32) Total Amortization	$384,281	$69,576	$303,545	$3,720	$7,440	$0
Interest on capital debt						
(33) Supported	$322		$322		$0	$0
(34) Unsupported	$0	$0	$0	$0	$0	$0
(35) Other interest charges	$7,382	$7,382	$0	$0	$0	$0
(36) Losses on disposal of capital assets	$375,181	$5,444	$369,737	$0	$0	$0
(37) **TOTAL EXPENSES**	$7,457,121	$4,740,177	$1,418,198	$774,293	$430,290	$94,163
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$100,695	$65,906	($4,494)	$61,073	($21,790)	$0

School Jurisdiction Code: 8060

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$127,953
Base Instruction (Gr 1-12)	$2,244,126
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$3,076,717
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$3,059
Federal French Funding	$280,815
Provincial Priority Targeted Funding	
Class Size Initiative	$64,186
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$59,040
High Speed Networking	$21,708
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) O&M $254,214 and Textbooks $11,000	$265,214
Total Alberta Education Revenues	$6,142,818

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 8060

SCHEDULE C the AFS
ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$313,706	$148,028	$54,060		$0	$20,039	$535,833
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$31,225	$26,646	$8,463		$0		$66,334
ECS Program Unit (PUF)	$0	$7,806	$2,178		$0		$9,984
Severe Disabilities (Gr 1-12)	$31,225	$197,491	$0		$0		$228,716
English as a Second Language	$72,000	$0	$1,189		$0		$73,189
French Language Program & Francisation (all jurisdictions)	$239,322	$44,745	$3,634		$0		$287,701
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$33,248	$0	$14,005	$18,511	$0		$65,764
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$21,708		$0		$21,708
Class Size	$0	$0	$0	$0	$0		$0
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$2,936,263	$108,451	$260,556	$45,574	$0	$100,104	$3,450,948
TOTAL EXPENSES	$3,656,989	$533,167	$365,793	$64,085	$0	$120,143	$4,740,177

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	0.4	1.0
ECS Program Unit (PUF)	0.0	0.3
Severe Disabilities (Gr 1-12)	0.4	7.9

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 8060

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$7,457,121**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$447,427
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	455	
	$408,000	$447,427
MAXIMUM EXPENSE LIMIT		**$447,427**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$430,290
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$430,290
MAXIMUM EXPENSE LIMIT	$447,427
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$17,137

School Jurisdiction Code: 8060

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$53,438
Source of Net School Generated Funds:				
Fundraising activities	$352,379	$296,798	$55,581	
Student fees (Non-Instructional) (Note 2)	$1,765		$1,765	
Donations and grants to schools	$0		$0	
Other (describe) interest	$64	$0	$64	
Net Additions to SGF	$354,208	$296,798		$57,410
Net SGF Available for Discretionary Spending				$110,848
Application of Net School Generated Funds:				
Extra-curricular activities			$17,354	
School beautification			$0	
Field Trips			$195	
Equipment			$19,157	
Family literacy and other community resources			$1,035	
Other (describe)			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$37,741
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$73,107

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 8060

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$43,683	$0	$0	$29,571	$73,254		$73,254
Uncertificated benefits	$0	$10,212	$0	$0	$5,280	$15,492		$15,492
Sub-total Remuneration	$0	$53,895	$0	$0	$34,851	$88,746		$88,746
Contracted Services	$153,808	$11,808	$4,814	$24,551	$196,019	$391,000		$391,000
Supplies	$0	$69,856	$0	$0	$2,226	$72,082		$72,082
Electricity			$81,289			$81,289		$81,289
Natural Gas/Heating Fuel			$72,452			$72,452		$72,452
Sewer and Water			$8,479			$8,479		$8,479
Telecommunications			$1,416			$1,416		$1,416
Insurance					$29,130	$29,130		$29,130
Amortization of capital assets								
Supported							$292,171	$292,171
Unsupported						$11,374		$11,374
Total Amortization						$11,374	$292,171	$303,545
Interest on capital debt								
Supported							$322	$322
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$369,737		$369,737
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$153,808	$135,559	$168,450	$24,551	$262,226	$1,125,705	$292,493	$1,418,198
SQUARE METRES								
School Buildings								12,171.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	4.0	1.3						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 8060

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Réginald Roy	1.0	$12,202	$104	$0			$12,306	$2,900
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Léo Piquette	1.0	$15,354	$137	$0			$15,491	$3,803
Name	Munelle St-Amault	1.0	$6,262	$64	$0			$6,326	$1,607
Name	Michel Lavoie	1.0	$4,292	$20	$0			$4,312	$269
Name	Emest Piquette	1.0	$5,079	$52	$0			$5,131	$409
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*5.0*	*$43,189*	*$377*	*$0*			*$43,566*	*$8,988*
Superintendent	Jules Rocque	0.9	$95,635	$6,695	$0	$0	$0	$102,330	$19,740
Superintendent	Donald Michaud	0.1	$9,500	$1,164	$0	$0	$0	$10,664	$3,547
Secretary/Treasurer	Claude Lampron	1.0	$70,000	$8,572	$0	$0	$0	$78,572	$4,815
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		49.3	$3,294,367	$363,076	$0	$0	$0	$3,657,443	
Uncertificated Salaries & Wages		23.4	$586,639	$146,207	$0	$0	$0	$732,846	
TOTALS			**$4,099,330**	**$526,091**	**$0**	**$0**	**$0**	**$4,625,421**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 110

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Edmonton Catholic Separate School District No 7
Legal Name of School Jurisdiction

9807 - 106 Street Edmonton, Alberta T5K 1C2
Mailing Address

Tel 780-441-6000 Fax 780-441-6149
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Edmonton Catholic Separate School District No 7
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Debbie Cavaliere — "ORIGINAL SIGNED"
Name — **Signature**

SUPERINTENDENT

Dr. Dale Ripley — "ORIGINAL SIGNED"
Name — **Signature**

SECRETARY TREASURER OR TREASURER

Andrew Isbister, CMA — "ORIGINAL SIGNED"
Name — **Signature**

16-Jan-06
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Deloitte.

Deloitte & Touche LLP
2000 Manulife Place
10180 - 101 Street
Edmonton AB T5J 4E4
Canada

Tel: (780) 421-3611
Fax: (780) 421-3782
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Auditors' Report

To the Board of Trustees
Edmonton Catholic Separate School District No. 7

We have audited the statement of financial position of the Edmonton Catholic Separate School District No. 7 as at August 31, 2005, and the statements of operations and changes in fund balances and cash flow for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2005, and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

Chartered Accountants

December 16, 2005

Member of
Deloitte Touche Tohmatsu

School Jurisdiction Code: 110

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$480,958	$4,828,616
Accounts receivable (net after allowances)		$19,020,859	$19,698,327
Prepaid expenses		$1,836,471	$1,546,827
Other current assets		$341,855	$394,120
Total current assets		$21,680,183	$26,467,890
School generated assets		$0	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$4,836,798	$4,836,798
Buildings	$209,995,943		
Less: accumulated amortization	($112,108,228)	$97,887,715	$99,713,361
Equipment	$7,991,019		
Less: accumulated amortization	($5,020,845)	$2,970,174	$2,293,837
Vehicles	$1,239,687		
Less: accumulated amortization	($997,973)	$241,714	$308,595
Total capital assets		$105,936,401	$107,152,591
TOTAL ASSETS		$127,616,584	$133,620,481
LIABILITIES			
Current liabilities			
Bank indebtedness		$4,877,779	$5,118,678
Accounts payable and accrued liabilities		$19,783,550	$21,302,407
Deferred revenue		$5,163,724	$6,439,995
Deferred capital allocations		$0	$10,044,574
Current portion of all long term debt		$1,733,170	$2,092,713
Total current liabilities		$31,558,223	$44,998,367
School generated liabilities		$0	$0
Trust liabilities		$0	$0
Employee future benefits liability		$2,095,518	$2,062,962
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$8,850,828	$10,943,541
	Less: Current portion of supported debt	($1,733,170)	($2,092,713)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$79,585,739	$68,403,327
Total long term liabilities		$88,798,915	$79,317,117
TOTAL LIABILITIES		$120,357,138	$124,315,484
NET ASSETS			
Unrestricted net assets		($8,780,663)	($169,136)
Operating Reserves		$0	$488,107
Accumulated Operating Surplus (Deficit)		($8,780,663)	$318,971
Investment in capital assets		$16,040,109	$7,696,276
Capital Reserves		$0	$1,289,750
Total Capital Funds		$16,040,109	$8,986,026
Total net assets		$7,259,446	$9,304,997
TOTAL LIABILITIES AND NET ASSETS		$127,616,584	$133,620,481

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 110

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$223,699,424	$214,919,906	$204,681,170
Federal Government and/or First Nations	$1,957,431	$1,851,380	$1,900,331
Other Alberta school authorities	$196,387	$0	$152,769
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$7,910,717	$6,340,652	$7,152,407
Transportation fees	$2,500,817	$2,466,620	$2,298,534
Other sales and services	$3,631,334	$60,000	$2,352,251
Investment income	$67,192	$450,000	$453,155
Gifts and donations	$480,970	$10,000	$467,299
Rentals of facilities	$2,559,508	$2,116,375	$2,518,576
Net school generated funds	$3,339,548	$3,000,000	$3,392,954
Gains on disposal of capital assets	$2,800	$0	$0
Amortization of capital allocations	$4,494,786	$4,000,000	$3,724,920
Total Revenues	$250,840,914	$235,214,933	$229,094,366
EXPENSES			
Certificated salaries	$125,396,099	$128,092,315	$114,083,535
Certificated benefits	$13,630,281	$15,831,634	$12,469,449
Uncertificated salaries and wages	$43,163,243	$35,879,572	$40,283,728
Uncertificated benefits	$8,289,446	$6,331,689	$7,540,485
Services, contracts and supplies	$53,247,670	$40,483,723	$50,752,447
Net school generated funds	$3,339,548	$3,000,000	$3,392,954
Capital and debt services			
Amortization of capital assets			
Supported	$4,532,978	$4,000,000	$3,724,919
Unsupported	$124,613	$0	$1,714,838
Total Amortization of capital assets	$4,657,591	$4,000,000	$5,439,757
Interest on capital debt			
Supported	$976,255	$1,596,000	$1,221,256
Unsupported	$0	$0	$0
Total Interest on capital debt	$976,255	$1,596,000	$1,221,256
Other interest charges	$113,552	$0	$0
Losses on disposal of capital assets	$72,780	$0	$20,530
Total Expenses	$252,886,465	$235,214,933	$235,204,141
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($2,045,551)	$0	($6,109,775)
Extraordinary Item		$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($2,045,551)	$0	($6,109,775)

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 110

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($2,045,551)	($6,109,775)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($4,494,786)	($3,724,920)
Total amortization expense	$4,657,591	$5,439,757
Gains on disposal of capital assets	($2,800)	
Losses on sale of capital assets	$72,780	$20,530
Changes in accrued accounts:		
Accounts receivable	$677,428	($7,084,311)
Prepaids and other current assets	($237,379)	($80,866)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,518,857)	$3,010,919
Deferred revenue	($1,276,271)	($380,951)
Employee future benefit expense (recovery)	$32,556	$0
Other (describe)		$0
Total sources (uses) of cash from Operations	($4,135,289)	($8,909,617)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	($15,736,356)
Equipment	($726,051)	($112,962)
Vehicles	($36,866)	($61,676)
Net proceeds from disposal of capital assets		$0
Other (describe) Unfunded Building Addition	($2,748,464)	$0
Total sources (uses) of cash from Investing activities	($3,511,381)	($15,910,994)
C. FINANCING ACTIVITIES		
Capital allocations	$3,539,911	$5,452,919
Issue of long term debt	$0	$0
Repayment of long term debt	($2,092,713)	($2,719,280)
Add back: supported portion	$2,092,713	$2,719,280
Other (describe)		$0
Total sources (uses) of cash from Financing activities	$3,539,911	$5,452,919
Net sources (uses) of cash during year	($4,106,759)	($19,367,692)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	($290,062)	$19,077,630
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	($4,396,821)	($290,062)

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 110

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$9,304,997	$7,696,276	($169,136)	$1,777,857	$0	$0		$1,289,750	$0	$0	$488,107	$0	$0	$0
Prior period adjustments (describe)														
	$0			$0	$0	$0			$0	$0	$0	$0	$0	$0
	$0			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$9,304,997	$7,696,276	($169,136)	$1,777,857	$0	$0	$0	$1,289,750	$0	$0	$488,107	$0	$0	$0
Surplus(def) of revenue over expense	($2,045,551)		($2,045,551)											
Board funded capital transactions		$8,576,619	($8,576,619)	$0	$0	$0			$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($4,657,591)	$4,657,591											
Amortization of capital allocations		$4,494,786	($4,494,786)											
Disposal of unsupported capital assets	$0	($69,981)	$69,981	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)				$0		$0				$0		$0		$0
Debt principal payments (unsupported)		$0												
Net transfers to operating reserves			$488,107	($488,107)	$0		$0		$0		($488,107)		$0	
Net transfers from operating reserves			$0	$0	$0				$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0				$0		$0		$0
Net transfers from capital reserves			$1,289,750	($1,289,750)		$0		($1,289,750)		$0		$0		$0
Balance at August 31, 2005	$7,259,446	$16,040,109	($8,780,663)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 110

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$10,044,574	$68,403,327
Prior period adjustment		
Adjusted balance, August 31, 2004	$10,044,574	$68,403,327
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$3,539,911	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources		
Interest earned on provincial government capital allocations	$0	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$2,092,713
Expended capital allocations - current year	($13,584,485)	$13,584,485
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		
Capital allocations amortized to revenue		$4,494,786
Balance at August 31, 2005	$0	$79,585,739

1. AUTHORITY AND PURPOSE

The Edmonton Catholic Separate School District No. 7 ("the District") operates under the provisions of the *School Act*, Chapter S-3 Revised, Statutes of Alberta 2000, and through its own bylaws. The District is directed by an elected Board of Trustees, has approximately 3,500 employees and 85 schools, and is responsible for the education of approximately 31,900 students.

The District receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the District, within specified limits, to reallocate funding between the instruction and support blocks.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Education for Alberta school districts. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

Revenue is recognized as follows:

(i) Government operating grants are recognized as revenue, either in the period received, or, where the grants relate to a future period, they are deferred and recognized in the subsequent period. Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered.

(ii) Contributions restricted for the acquisition of capital assets having a limited life and for retirement of capital debt are recorded as deferred capital contributions. Once expended, they are transferred to unamortized deferred capital contributions, which are amortized to revenue over the useful lives of the related assets.

(iii) Volunteers assist schools operated by the District in carrying out certain activities. Because of the difficulty of determining the fair value of the services and due to the fact that such assistance is generally not purchased, contributed services are not recognized in the financial statements.

Cash and bank indebtedness

Cash includes cash and short-term investments with maturities of three months or less. Bank indebtedness represents cheques issued in excess of bank balance.

2. ACCOUNTING POLICIES (continued)

Inventories

Inventories are recorded at the lower of cost and net realizable value.

Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight-line basis at the following annual rates:

Buildings	2.5% to 4%
Industrial, instructional, and office equipment	10% and 20%
Automotive equipment	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Pensions

Pension costs included in these statements comprise the costs of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the District does not make pension contributions for certificated staff.

The District participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension is equivalent to the annual contributions of $4,677,606 (2004 - $3,669,357) for the year ended August 31, 2005.

At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2004 - a deficiency of $1,453,487,000).

Employee future benefits

The District accrues its obligations under employee future benefit plans, excluding pension benefits, and expenses the related costs. As at August 31, 2005, the recorded obligation is $2,095,518 (2004 - $2,062,962). The total expense recorded in the financial statements is $32,556 (2004 - $103,787).

Funds collected by schools

Funds generated from school activities are included with the assets, liabilities, revenue, and expenses of the District as accountability and control of these funds rests with the District.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

2. ACCOUNTING POLICIES (continued)

Contribution services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure certain programs are delivered, such as kindergarten, lunch services, and raising school-generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Financial instruments

The District's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the District is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The District has invested surplus funds in accordance with Section 44 of the *School Act* and Section 5 of the *Trustees Act*.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the District, to set aside funds for operating and future capital expenditures. Such reserves are appropriations of accumulated surplus.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant areas requiring the use of management's estimates include the collectible amounts of accounts receivable, the useful lives of capital assets and the corresponding rates of amortization, the amount of accrued liabilities and the fair value of financial instruments.

3. CASH HELD IN TRUST

Cash is held in trust on behalf of the Edmonton Student Health Initiative Partnership. The Edmonton Student Health Initiative Partnership was created so that school-aged children in Edmonton, in particular those with special needs, have access to culturally-responsive health and related support services they need to participate in their school programs and attain their potential. The District was appointed banker for the partnership and is responsible for distributing the cash in accordance with the wishes of the partnership.

4. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Education	**$ 427,828**	$ 17,562
Alberta Infrastructure and Transportation	**8,860,117**	9,848,513
Supplementary requisition	**7,514,201**	7,522,767
Other	**2,218,753**	2,309,485
	$ 19,020,899	$ 19,698,327

5. CAPITAL ASSETS

	2005			2004
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	**$ 4,836,798**	**$ -**	**$ 4,836,798**	$ 4,836,798
Buildings	**208,536,220**	**112,108,228**	**96,427,992**	79,603,914
Industrial, instructional and office equipment	**7,991,019**	**5,020,845**	**2,970,174**	2,293,837
Automotive equipment	**1,239,687**	**997,973**	**241,714**	308,595
Construction in progress	**1,459,723**	**-**	**1,459,723**	20,109,447
	$ 224,063,447	**$ 118,127,046**	**$ 105,936,401**	$ 107,152,591

6. BANK INDEBTEDNESS

Bank indebtedness consists of cheques written in excess of bank balances. In addition, the district has a $10,000,000 Canadian Dollar Demand Overdraft available. The balance outstanding is $630,339. Interest is charged on the first $999,999 at prime less 2.00% and prime less 1.90% for amounts $1,000,000 and over. The district is subject to interest rate risk on outstanding balances as overdraft interest fluctuates with the prime interest rate. For each 1% change in the rate of interest, assuming a consistent overdraft balance, the change in annual interest expense is approximately $6,303.

7. DEFERRED REVENUE

	2005	2004
Parents and individuals	**$ 4,012,528**	$ 3,235,213
Provincial grants	**1,151,196**	3,204,782
	$ 5,163,724	$ 6,439,995

8. DEFERRED CAPITAL CONTRIBUTIONS AND UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS

	2005		2004	
	Deferred Capital Contributions	**Unamortized Deferred Capital Contributions**	Deferred Capital Contributions	Unamortized Deferred Capital Contributions
Balance, beginning of year	**$ 10,044,574**	**$ 68,403,327**	$ 31,270,228	$ 42,730,394
Government grants	**5,632,624**	**2,092,713**	8,172,199	-
Expended on capital assets	**(13,584,485)**	**13,584,485**	(26,678,573)	26,678,573
Debt retirement	**(2,092,713)**	**-**	(2,719,280)	2,719,280
Amortization of capital assets acquired from capital contributions	**-**	**(4,494,786)**	-	(3,724,920)
Balance, end of year	**$ -**	**$ 79,585,739**	$ 10,044,574	$ 68,403,327

9. DEBENTURE DEBT

In prior years, the District has issued debentures to the Alberta Capital Finance Authority (formerly Alberta Municipal Finance Corporation) to finance construction of capital assets. These debentures mature in annual amounts to the year 2020 and interest is payable at rates ranging from 8% to 12% per annum. The debenture debt is fully supported by Alberta Finance.

Principal payments due on debenture debt over the next five years and thereafter are as follows:

	Principal	Interest	Total
2006	1,733,170	889,434	2,622,604
2007	1,522,799	709,308	2,232,107
2008	1,237,932	552,331	1,790,263
2009	1,169,936	426,201	1,596,137
Thereafter	3,186,991	708,094	3,895,085
	$ 8,850,828	$ 3,285,368	$ 12,136,196

10. RESERVES

	2005			2004
	Operating	**Capital**	**Total**	Total
Balance, beginning of year	**$ 488,107**	**$ 1,289,750**	**$ 1,777,857**	$ 1,777,857
Transfers to operations	**(488,107)**	**(1,289,750)**	**(1,777,857)**	-
Balance, end of year	**$ -**	**$ -**	**$ -**	$ 1,777,857

11. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The District's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

The District received allocations from the following related parties - Alberta Learning, Alberta Finance, Alberta Infrastructure, and Family and Social Services.

In the current year, 18% (2004 - 19.7%) of operating revenue was received from the City of Edmonton supplementary requisition of municipal taxes from Catholic ratepayers.

12. BUDGET COMPARISON

Following is a summary of revenue and expenses compared with the approved budget:

	Actual	Budget	Variance
Revenue			
Provincial grants and supplementary requisition	$ 223,699,424	$ 214,919,906	$ 8,779,518
Other revenue	22,646,704	16,295,027	6,351,677
	246,346,128	231,214,933	15,131,195
Amortization of deferred capital contributions	4,494,786	4,000,000	494,786
	250,840,914	235,214,933	15,625,981
Expenses			
Salaries and employee benefits	190,479,069	186,135,210	4,343,859
Supplies and other	57,749,805	45,079,723	12,670,082
Amortization of capital assets	4,657,591	4,000,000	657,591
	252,886,465	235,214,933	17,671,532
Deficiency of revenue over expenses	$ (2,045,551)	$ -	$ (2,045,551)

The budget was prepared by the School District and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

13. APPROVAL OF FINANCIAL STATEMENTS

The Board of Trustees has approved these financial statements.

14. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2005 presentation.

SCHEDULE A to the AFS

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Cod 110

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$208,209,841	$180,939,597	$7,814,140	$8,553,644	$10,415,547	$486,913
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$725,235	$0	$725,235			
(3)	Regular Operations & Maintenance support	$13,671,195		$13,671,195			
(4)	Other support	$976,255	$0	$976,255			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$15,372,685	$0	$15,372,685			
(6)	**Alberta Finance**	$0		$0			$0
(7)	**Other - Government of Alberta**	$116,898	$116,898		$0	$0	$0
(8)	**Federal Government and/or First Nations**	$1,957,431	$868,677	$0	$0	$0	$1,088,754
(9)	**Other Alberta school authorities**	$196,387	$196,387	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$7,910,717	$7,910,717				
(13)	**Transportation fees**	$2,500,817			$2,500,817		
(14)	**Other sales and services**	$3,631,334	$3,497,391	$31,167	$0	$98,956	$3,820
(15)	**Investment income**	$67,192	$0		$0	$67,192	$0
(16)	**Gifts and donations**	$480,970	$480,970	$0	$0		$0
(17)	**Rentals of facilities**	$2,559,508		$2,420,459	$0	$0	$139,049
(18)	**Net school generated funds**	$3,339,548	$3,339,548			$0	
(19)	**Gains on disposal of capital assets**	$2,800	$0	$2,800	$0		$0
(20)	**Amortization of capital allocations**	$4,494,786	$0	$4,494,786	$0		$0
(21)	**TOTAL REVENUES**	$250,840,914	$197,350,185	$30,136,037	$11,054,461	$10,581,695	$1,718,536
	EXPENSES						
(22)	**Certificated salaries**	$125,396,099	$125,161,715			$234,384	$0
(23)	**Certificated benefits**	$13,630,281	$13,619,626			$10,655	$0
(24)	**Uncertificated salaries and wages**	$43,163,243	$26,371,534	$10,897,847	$367,401	$4,360,105	$1,166,356
(25)	**Uncertificated benefits**	$8,289,446	$5,069,557	$2,263,913	$67,506	$872,021	$16,449
(26)	**SUB - TOTAL**	$190,479,069	$170,222,432	$13,161,760	$434,907	$5,477,165	$1,182,805
(27)	**Services, contracts & supplies**	$53,247,670	$25,874,676	$12,843,843	$11,447,654	$2,550,143	$531,354
(28)	**Cost recoveries & charges to programs**	($0)	$1,337,896	($1,337,896)	$0	$0	$0
(29)	**Net school generated funds**	$3,339,548	$3,339,548				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$4,532,978	$0	$4,532,978	$0	$0	$0
(31)	Unsupported	$124,613	$0	$124,613	$0	$0	$0
(32)	Total Amortization	$4,657,591	$0	$4,657,591	$0	$0	$0
	Interest on capital debt						
(33)	Supported	$976,255	$0	$976,255	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$113,552	$0	$0	$0	$113,552	$0
(36)	Losses on disposal of capital assets	$72,780	$0	$0	$0	$72,780	$0
(37)	**TOTAL EXPENSES**	$252,886,465	$200,774,552	$30,301,553	$11,882,561	$8,213,640	$1,714,159
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($2,045,551)	($3,424,367)	($165,516)	($828,100)	$2,368,055	$4,377

School Jurisdiction Code: 110

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$5,477,774
Base Instruction (Gr 1-12)	$147,645,518
Outreach Programs	$364,140
Home Education	$58,327
Differential Cost Funding *	$28,110,048
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$328,004
Federal French Funding	$372,360
Provincial Priority Targeted Funding	
Class Size Initiative	$4,998,424
Student Health Initiative (SHI)	$1,401,000
Alberta Initiative for School Improvement (AISI)	$3,673,826
High Speed Networking	$60,000
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Urban Transportation, O&M	$15,720,420
Total Alberta Education Revenues	$208,209,841

- * Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 110

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$33,685,994	$16,720,864	$10,535,193		$0	$3,339,548	$64,281,599
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$5,736,425	$17,774	$1,039,117		$0		$6,793,316
ECS Program Unit (PUF)	$452,308	$1,471,520	$809,582		$0		$2,733,410
Severe Disabilities (Gr 1-12)	$165,464	$19,356	$102,111		$0		$286,931
English as a Second Language	$115,090	$38,572	$84,335		$0		$237,997
French Language Program & Francisation (all jurisdictions)	$194,807	$18,107	$189,519		$0		$402,433
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$163,799	$185,205		$0		$349,004
Home Education	$73,000	$0	$26,439		$0		$99,439
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$1,416,525	$64,165	$409,595	$0	$0		$1,890,285
Student Health Initiative	$593,809	$134,344	$77,485		$0		$805,638
High Speed Networking			$0		$0		$0
Class Size	$4,161,998	$552,709	$0	$0	$0		$4,714,707
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$92,431,962	$5,392,739	$14,210,047	$0	$0	$0	$118,179,793
TOTAL EXPENSES	$139,027,382	$24,593,949	$27,668,628	$0	$0	$3,339,548	$200,774,552

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	144.2	112.9
ECS Program Unit (PUF)	4.0	54.1
Severe Disabilities (Gr 1-12)	40.7	683.6

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 110

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$252,886,465**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$10,115,459

Considerations for Charter Schools and Small School Boards:

If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$10,115,459**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$8,213,640
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$8,213,640
MAXIMUM EXPENSE LIMIT	$10,115,459
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$1,901,819

School Jurisdiction Code: 110

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$0
Source of Net School Generated Funds:				
Fundraising activities	$2,220,804	$0	$2,220,804	
Student fees (Non-Instructional) (Note 2)	$827,285		$827,285	
Donations and grants to schools	$291,459		$291,459	
Other (describe):	$0	$0	$0	
Net Additions to SGF	$3,339,548	$0		$3,339,548
Net SGF Available for Discretionary Spending				$3,339,548
Application of Net School Generated Funds:				
Extra-curricular activities			$2,886,244	
School beautification			$9,831	
Field Trips			$205,064	
Equipment			$238,409	
Family literacy and other community resources			$0	
Other (describe):			$0	
Net SGF Expended for Discretionary Purposes (Note 3)				$3,339,548
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$0

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position

School Jurisdiction Code: 110

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$8,068,562	$2,091,427	$39,376	$283,926	$414,556	$10,897,847		$10,897,847
Uncertificated benefits	$1,860,564	$329,587	$0	$0	$73,762	$2,263,913		$2,263,913
Sub-total Remuneration	$9,929,126	$2,421,014	$39,376	$283,926	$488,318	$13,161,760		$13,161,760
Contracted Services	$47,721	$674,528	$0	$2,545,006	$0	$3,267,255		$3,267,255
Supplies	$773,566	$2,461,401	$49,309	$216,523	$58,514	$3,559,313		$3,559,313
Electricity			$2,516,218			$2,516,218		$2,516,218
Natural Gas/Heating Fuel			$2,710,370			$2,710,370		$2,710,370
Sewer and Water			$367,048			$367,048		$367,048
Telecommunications			$82,294			$82,294		$82,294
Insurance					$341,345	$341,345		$341,345
Amortization of capital assets								
Supported							$4,532,978	$4,532,978
Unsupported						$124,613		$124,613
Total Amortization						$124,613	$4,532,978	$4,657,591
Interest on capital debt								
Supported							$976,255	$976,255
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($1,337,896)		($1,337,896)
TOTAL EXPENSES	$10,750,413	$5,556,943	$5,764,615	$3,045,455	$888,177	$24,792,320	$5,509,233	$30,301,553
SQUARE METRES								
School Buildings								397,382.0
Non School Buildings								46,555.0
UNCERTIFICATED FTE'S (Board/Contract)	238.8	50.5						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 110

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Debbie Engel	1.0	$37,136	$1,048	$0			$38,184	$5,214
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Ron Zapisoki	0.2	$6,007	$0	$0			$6,007	$0
Name	Judy Buddle	1.0	$22,676	$586	$0			$23,262	$2,527
Name	Jim Urlacher	0.8	$19,931	$513	$0			$20,444	$1,861
Name	Debbie Cavaliere	1.0	$31,971	$880	$0			$32,851	$3,306
Name	Charles Koester	0.2	$4,325	$99	$0			$4,424	$12,337
Name	Mark Razzolini	1.0	$22,110	$556	$0			$22,666	$3,829
Name	Janice Sarich	1.0	$20,529	$518	$0			$21,047	$845
Name	Patrick MacDonald	0.8	$19,961	$539	$0			$20,500	$748
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$184,646*	*$4,739*	*$0*			*$189,385*	*$30,667*
Superintendent	DR Dale Ripley	1.0	$169,384	$6,455	$0	$0	$0	$175,839	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Andrea Klotz	1.0	$63,979	$13,002	$0	$0	$0	$76,981	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Andrew Isbister	1.0	$130,736	$17,725	$0	$0	$0	$148,461	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		1,808.8	$121,558,197	$13,623,826	$3,668,519	$0	$0	$138,850,542	
Uncertificated Salaries & Wages		783.4	$42,783,882	$8,889,304	$0	$0	$0	$51,673,186	
TOTALS			**$164,890,824**	**$22,555,051**	**$3,668,519**	**$0**	**$0**	**$191,114,394**	

Note: Please refer to completion information on page 15

School Jurisdiction Code 3020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

EDMONTON SCHOOL DISTRICT NO.7
Legal Name of School Jurisdiction

ONE KINGSWAY, EDMONTON, AB T5H 4G9
Mailing Address

TEL NO.: 429-8000 FAX NO.: 429-8318
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules EDMONTON SCHOOL DISTRICT NO.7 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

B. ESSLINGER	ORIGINAL SIGNED
Name	**Signature**

SUPERINTENDENT

E. SCHMIDT (ACTING)	ORIGINAL SIGNED
Name	**Signature**

SECRETARY TREASURER OR TREASURER

D.R.POWER	ORIGINAL SIGNED
Name	**Signature**

NOVEMBER 29, 2005
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

KPMG LLP
Chartered Accountants
10125 - 102 Street
Edmonton AB T5J 3V8
Canada

Telephone (780) 429-7300
Fax (780) 429-7379
Internet www.kpmg.ca

AUDITORS' REPORT

We have audited the statement of financial position of the Edmonton School District No. 7 as at August 31, 2005 and the statements of revenues and expenses, changes in net assets, capital allocations and cash flows for the year then ended. These financial statements, which are presented in the format prescribed by Alberta Learning, are the responsibility of the District's administration. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by administration, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2005 and the results of its operations and its cash flows, net assets, and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

KPMG LLP

Chartered Accountants

Edmonton, Canada
November 4, 2005

KPMG LLP, a Canadian limited liability partnership is the Canadian member firm of KPMG International, a Swiss cooperative.

CELEBRATING 80 YEARS IN EDMONTON

School Jurisdiction Code: 3020

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$3,821,459	$12,413,789
Accounts receivable (net after allowances)		$20,205,220	$28,004,421
Prepaid expenses		$1,010,788	$1,245,500
Other current assets		$5,323,002	$4,830,596
Total current assets		$30,360,469	$46,494,306
School generated assets		$4,373,302	$5,245,859
Trust assets		$639,986	$601,629
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$837,590	$837,590
Buildings	$613,081,162		
Less: accumulated amortization	($353,485,143)	$259,596,019	$257,670,266
Equipment	$204,098,648		
Less: accumulated amortization	($174,394,748)	$29,703,900	$32,089,054
Vehicles	$2,503,004		
Less: accumulated amortization	($1,943,562)	$559,442	$603,334
Total capital assets		$290,696,951	$291,200,244
TOTAL ASSETS		$326,070,708	$343,542,038
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$23,534,903	$30,131,583
Deferred revenue		$5,883,361	$7,208,378
Deferred capital allocations		$978,232	$1,598,821
Current portion of all long term debt		$5,868,844	$6,806,712
Total current liabilities		$36,265,340	$45,745,494
School generated liabilities		$4,373,302	$5,245,859
Trust liabilities		$639,986	$601,629
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$29,166,009	$34,887,739
Less: Current portion of supported debt		($4,805,458)	($5,721,731)
Unsupported: Debentures and Capital Loans		$3,305,416	$4,367,802
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($1,063,386)	($1,084,981)
Unamortized capital allocations		$167,561,809	$159,873,636
Total long term liabilities		$199,177,678	$198,169,953
TOTAL LIABILITIES		$235,443,018	$243,915,447
NET ASSETS			
Unrestricted net assets		($1,715,840)	$5,353,851
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		($1,715,840)	$5,353,851
Investment in capital assets		$90,663,717	$92,461,024
Capital Reserves		$1,679,813	$1,811,716
Total Capital Funds		$92,343,530	$94,272,740
Total net assets		$90,627,690	$99,626,591
TOTAL LIABILITIES AND NET ASSETS		$326,070,708	$343,542,038

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements

School Jurisdiction Code: 3020

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005 Restated	Actual 2004 Restated
REVENUES			
Government of Alberta	$564,238,815	$544,199,144	$543,614,859
Federal Government and/or First Nations	$1,998,782	$1,404,000	$1,669,731
Other Alberta school authorities	$2,329,647	$2,017,500	$2,103,165
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$3,180,759	$1,987,945	$2,335,281
Transportation fees	$5,726,171	$5,509,752	$5,288,167
Other sales and services	$21,076,769	$14,971,103	$18,761,429
Investment income	$711,440	$0	$1,046,188
Gifts and donations	$4,346,401	$3,133,309	$4,545,946
Rentals of facilities	$2,761,147	$1,672,896	$2,228,628
Net school generated funds	$13,044,784	$10,804,416	$12,324,866
Gains on disposal of capital assets	$616,484	$0	$0
Amortization of capital allocations	$11,789,717	$14,276,000	$11,990,618
Total Revenues	$631,820,916	$599,976,065	$605,908,878
EXPENSES			
Certificated salaries	$317,783,869	$282,593,815	$293,144,823
Certificated benefits	$35,194,765	$34,476,449	$33,254,851
Uncertificated salaries and wages	$117,183,057	$106,031,133	$108,939,137
Uncertificated benefits	$25,143,711	$22,644,353	$21,851,448
Services, contracts and supplies	$102,727,050	$109,487,877	$96,447,905
Net school generated funds	$13,044,784	$10,804,416	$12,324,866
Capital and debt services			
Amortization of capital assets			
Supported	$11,799,439	$14,276,000	$11,990,618
Unsupported	$13,878,897	$15,426,000	$13,483,902
Total Amortization of capital assets	$25,678,336	$29,702,000	$25,474,520
Interest on capital debt			
Supported	$3,148,805	$3,790,000	$3,790,041
Unsupported	$197,230	$189,000	$213,006
Total Interest on capital debt	$3,346,035	$3,979,000	$4,003,047
Other interest charges	$74,800	$301,000	$261,758
Losses on disposal of capital assets	$0	$0	$28,974
Total Expenses	$640,176,407	$600,020,043	$595,731,329
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($8,355,491)	($43,978)	$10,177,549
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($8,355,491)	($43,978)	$10,177,549

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 3020

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($8,355,491)	$10,177,549
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($11,789,717)	($11,990,618)
Total amortization expense	$25,678,336	$25,474,520
Gains on disposal of capital assets	($616,484)	$0
Losses on sale of capital assets	$0	$28,974
Changes in accrued accounts:		
Accounts receivable	$7,799,201	($13,611,089)
Prepaids and other current assets	($257,694)	$49,439
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($6,596,680)	$7,156,517
Deferred revenue	($1,325,017)	($9,109,701)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$4,536,454	$8,175,591
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($17,977,294)	($24,197,665)
Equipment	($7,203,966)	($7,892,883)
Vehicles	($51,475)	($112,651)
Net proceeds from disposal of capital assets	$30,766	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($25,201,969)	($32,203,199)
C. FINANCING ACTIVITIES		
Capital allocations	$13,135,570	$8,734,038
Issue of long term debt	$0	$1,340,500
Repayment of long term debt	($6,784,116)	($8,411,563)
Add back: supported portion	$5,721,731	$7,182,632
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$12,073,185	$8,845,607
Net sources (uses) of cash during year	($8,592,330)	($15,182,001)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$12,413,789	$27,595,790
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$3,821,459	$12,413,789

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 3020

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL INTERNALLY RESTRICTED NET ASSETS** Cols. 5 to 14	**INTERNALLY RESTRICTED NET ASSETS**									
					School Based		**Infrastructure**		**Board & System Admin.**		**Transportation**		**External Services**	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$99,626,591	$92,461,024	$5,353,851	$1,811,716	$0	$0	$0	$0	$0	$1,811,716	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$99,626,591	$92,461,024	$5,353,851	$1,811,716	$0	$0	$0	$0	$0	$1,811,716	$0	$0	$0	$0
Surplus(def) of revenue over expense	($8,355,491)		($8,355,491)											
Board funded capital transactions		$11,066,618	($11,222,846)	$136,228	$0	$0	$0	$0	$0	$136,228	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($25,678,336)	$25,678,336											
Amortization of capital allocations		$11,789,717	($11,789,717)											
Disposal of unsupported capital asset	$0	($57,692)	$26,926	$30,766		$0		$0		$30,766		$0		$0
Disposal of supported capital assets (board funded portion)	($643,410)	$0	($643,410)	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$1,062,386	($1,062,386)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($94,812)	$94,812		$0		$0		$94,812		$0		$0
Net transfers from capital reserves			$393,709	($393,709)		$0		$0		($393,709)		$0		$0
Balance at August 31, 2005	$90,627,690	$90,663,717	($1,715,840)	$1,679,813	$0	$0	$0	$0	$0	$1,679,813	$0	$0	$0	$0

School Jurisdiction Code: 3020

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$1,598,821	$159,873,636
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$1,598,821	$159,873,636
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$12,485,481	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$6,679	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$643,410	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$5,721,731
Expended capital allocations - current year	($13,756,159)	$13,756,159
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$11,789,717
Balance at August 31, 2005	$978,232	$167,561,809

NOTES TO FINANCIAL STATEMENTS

August 31, 2005
(amounts in thousands)

1. Authority and purpose

Edmonton School District No. 7 (the District) is empowered to provide public education through bylaws approved by its Board of Trustees and pursuant to the provisions of the Alberta School Act.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Capital assets

Capital assets are recorded at original cost and commencing in the year following the year of acquisition, amortization is recorded on a straight-line basis over the estimated useful lives of the assets using the following rates:

Buildings and site improvements	2.5% to 10%
Furniture and Equipment	10% and 20%
Vehicles	10%

Revenue recognition

The District receives funds from the province for instruction, support and capital purposes under Alberta Government Regulations.

Grants from the province that are restricted for the acquisition of capital assets are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are amortized on the same basis and at the same rates as are applied to amortization of the cost of the assets. The accumulated surplus is not impacted as the additional income is offset by the additional capital asset amortization expense of an equal amount.

Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction has been met.

NOTES TO FINANCIAL STATEMENTS . . . continued

August 31, 2005
(amounts in thousands)

Contributed services

Volunteers assist schools operated by the District in carrying out certain activities. Because of the difficulty of determining the fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Inventories

Inventories consist of supplies valued at the lower of average cost or net realizable value.

Financial Instruments

The District's financial instruments consist of cash, accounts receivable, accounts payable and accruals; trust funds and long-term debt. It is the management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The District has invested surplus funds in accordance with Section 44 of the *School Act* and Section 5 of the *Trustees Act.*

Capital Reserve

An amount equal to the net proceeds of sale of capital assets and interest generated by these funds is transferred to the capital reserve. The utilization of the reserve is restricted to capital expenditures under external restrictions or internal restrictions at the discretion of the Board of Trustees.

Pensions

The current service and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the District does not make pension contributions for certificated staff.

The District participates in the Local Authorities Pension Plan, which is a multi-employer pension plan. The service costs for employees for the current year of $6,813 (2004 - $5,572) are included in these statements and comprise the district costs of employer contribution.

3. Related party transactions

Alberta Education and Alberta Infrastructure are the departments of the Government of Alberta which administer education, various school boards and school board infrastructure funding.

The Edmonton School District No. 7's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

NOTES TO FINANCIAL STATEMENTS . . . continued

August 31, 2005
(amounts in thousands)

The District has had the following transactions with Alberta Education, Alberta Infrastructure and Alberta Finance.

	2005	2004
Alberta Education		
Funding Received	$ 523,113	$ 477,901
Alberta Infrastructure		
Operations and Maintenance Support	27,800	49,919
Infrastructure Maintenance Program	6,576	7,408
Modernization Block Funding Program	89	1,671
Capital Allocations	13,135	8,734
	47,600	67,732
Alberta Finance		
Capital Block - supported capital debt interest	3,149	3,790
Capital Block - supported capital debt principal repayment	5,722	7,183
	8,871	10,973
Other	3,511	2,925
Total funding received	$ 583,095	$ 559,531

4. Accounts Receivable

Accounts receivable comprises:

	2005	2004
Province of Alberta	$ 16,362	$ 25,475
Federal Government	1,204	1,103
Other Alberta School Jurisdictions	51	816
Other	2,588	610
Total	$ 20,205	$ 28,004

5. School generated funds

(a) School generated assets arise from the receipt of monies for various services and activities offered by individual schools such as student unions, yearbooks, instructional materials, textbook rentals, field trips and fundraising projects of various types. Any excess of receipts over disbursements from these services and activities is placed on deposit with various chartered banks and is available for future use by the schools.

	2005	2004
School generated assets		
Cash	$ 6,426	$ 6,495
Term deposits	1,334	1,351
	7,760	7,846

NOTES TO FINANCIAL STATEMENTS . . . continued

August 31, 2005
(amounts in thousands)

Inventory		
Bookstore	15	13
Cafeteria	2	2
	17	15
Refundable deposits and advance fees	(3,404)	(2,615)
Net Assets and Funds	$ 4,373	$ 5,246

(b) School Generated Funds revenue and expenses have been reported net of cost recoveries as follows:

	2005	2004
Total School Generated Funds	$ 15,050	$ 14,266
Less: Related cost recoveries	2,005	1,941
Net	$ 13,045	$ 12,325

6. Capital Assets

	2005			2004
	Cost	Accumulated Amortization	Carrying Value	Carrying Value
Land	$ 838	-	$ 838	$ 838
Buildings and Site Improvements	613,081	353,485	259,596	257,670
Furniture and Equipment	204,099	174,395	29,704	32,088
Vehicles	2,503	1,944	559	604
	$ 820,521	$ 529,824	$ 290,697	$ 291,200

7. Accounts payable and accruals

Accounts payable and accruals comprises:

	2005	2004
Province of Alberta	$ 1,785	$ 2,040
Federal Government	1,053	1,148
Alberta Municipalities	9	3
Other	20,688	26,940
Total	$ 23,535	$ 30,131

NOTES TO FINANCIAL STATEMENTS . . . continued

August 31, 2005
(amounts in thousands)

8. Deferred Revenue

Deferred revenue comprises:

	2005	2004
Foreign Students Fees	$ 3,030	$ 2,763
Parkade Plant Operations & Maintenance Funding	250	-
Funding for Amiskwaciy Academy	571	1,564
Deferred Block Funding Revenue	787	764
Metro Continuing Education Fees	520	516
Curriculum & Programs	203	306
Alberta Initiative for School Improvement	-	841
Other	522	454
Total	$ 5,883	$ 7,208

Change in deferred revenue during the year:

	2005	2004
Balance at beginning of year	$ 7,208	$ 16,318
Add: Funding received during the year	27,689	139,534
	34,897	155,852
Less: Amount recognized as revenue for the year	29,014	148,644
Balance at end of year	$ 5,883	$ 7,208

9. Long-Term Debt

Principal payments and interest for the next five years and to maturity on debenture debt outstanding at August 31, 2005 are approximately as follows:

Year Ending August 31	Principal	Interest	Total
2006	$ 5,869	$ 3,018	$ 8,887
2007	4,897	2,476	7,373
2007	4,717	2,002	6,719
2009	4,339	1,547	5,886
2010	3,928	1,134	5,062
2011 – maturity	8,721	1,509	10,230
Total	$ 32,471	$ 11,686	$ 44,157

Interest is payable at various rates ranging from 4.038% to 12.0% on the total long-term debt of:

	2005	2004
Total debenture debt	$ 32,471	$ 39,255
Due within one year	5,869	6,807
	$ 26,602	$ 32,448

The total district debenture debt will be repaid by the year 2015. The fair value of long-term debt does not differ significantly from its carrying value.

The current portion of long-term debt includes amounts payable by Alberta Finance for supported debt principal. As this amount is not payable by the District, the District's working capital has been increased as follows:

	2005	2004
Working Capital (Deficiency) Surplus per statements	$ (5,972)	$ 2,348
Supported Current Portion of long-term debt	4,805	5,722
	$ (1,167)	$ 8,070

The District paid $3,660 (2004 - $4,426) interest on long-term debt in the year.

10. Deferred Capital Allocations

Capital allocations received for qualifying capital projects initiated by the District have been capitalized. These allocations are transferred to unamortized capital allocations as the capital expenditure is incurred. Details of the changes in the deferred capital allocations account are as follows:

	2005	2004
Balance at beginning of year	$ 1,599	$ 9,346
Allocations received and receivable during the year	12,331	8,734
Transfers to Unamortized Capital Allocations	(12,952)	(16,481)
Balance at end of year	$ 978	$ 1,599

NOTES TO FINANCIAL STATEMENTS . . . continued

August 31, 2005
(amounts in thousands)

11. Unamortized Capital Allocations

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in supported capital assets other than land and equipment purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the related amortization expense being deducted. Transfers from deferred capital allocation account also increase the balance in the UCA account. Details of the changes to the account are as follows:

	2005	2004
Balance at beginning of year	$ 159,874	$ 148,201
Supported Debenture Principal Repayment	5,722	7,183
Transfer from Investment in Capital Assets	804	-
Transfer from Deferred Capital Allocations	12,952	16,481
Transfer to Capital Allocation Revenue	(11,790)	(11,991)
Balance at end of year	$ 167,652	$ 159,874

12. The Urban Schools Insurance Consortium

The District is a member of The Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for thirteen jurisdictions throughout the province of Alberta. Premium rebates are received from the insurers favorable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The District's share of the accumulated consortium funds as at August 31, 2005 was $ 2,102 (2004 - $ 2,192). This amount has not been recognized in the district's financial statements, as the revenue has not been realized by the District.

13. Comparative Figures

The actual 2004 comparative figures have been reclassified where necessary, to conform to actual 2005 presentation. The 2004 comparative figures for provincial grants and for School Generated Funds have been reclassified from those presented in the audited financial statements for the year ended August 31, 2004.

SCHEDULE A to the AFS

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

School Jurisdiction Cod 3020

	REVENUES	**TOTAL**	**ECS to Grade 12 Instruction**	**Operations and Maintenance of Schools & Maintenance Shops**	**Transportation**	**Board & System Admin.**	**External Services**
(1)	**Alberta Education Revenues**	$523,113,210	$458,131,056	$20,873,961	$16,103,044	$20,513,631	$7,491,518
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$6,665,475	$0	$6,665,475			
(3)	Regular Operations & Maintenance support	$27,800,339		$27,800,339			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$34,465,814	$0	$34,465,814			
(6)	**Alberta Finance**	$3,148,505		$3,148,505			$0
(7)	**Other - Government of Alberta**	$3,511,286	$1,389,688	$0	$0	$140,451	$1,981,147
(8)	**Federal Government and/or First Nations**	$1,998,782	$1,351,229	$0	$0	$79,951	$567,602
(9)	**Other Alberta school authorities**	$2,329,647	$972,992	$0	$9,380	$93,186	$1,254,089
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$3,180,759	$3,180,759				
(13)	**Transportation fees**	$5,726,171			$5,726,171		
(14)	**Other sales and services**	$21,076,769	$11,453,688	$1,019,114	$0	$843,071	$7,760,896
(15)	**Investment income**	$711,440	$682,982	$0	$0	$28,458	$0
(16)	**Gifts and donations**	$4,346,401	$4,346,401	$0	$0		$0
(17)	**Rentals of facilities**	$2,761,147	$1,839,181	$0	$0	$110,446	$811,520
(18)	**Net school generated funds**	$13,044,784	$12,522,993			$521,791	
(19)	**Gains on disposal of capital assets**	$616,484	$0	$591,825	$0	$24,659	$0
(20)	**Amortization of capital allocations**	$11,789,717	$0	$11,789,717	$0		$0
(21)	**TOTAL REVENUES**	$631,820,916	$495,870,969	$71,888,936	$21,838,595	$22,355,644	$19,866,772
	EXPENSES						
(22)	**Certificated salaries**	$317,783,869	$312,632,562			$1,498,761	$3,652,546
(23)	**Certificated benefits**	$35,194,765	$34,613,218			$170,511	$411,036
(24)	**Uncertificated salaries and wages**	$117,183,057	$63,363,364	$31,986,421	$467,261	$9,448,953	$11,915,058
(25)	**Uncertificated benefits**	$25,143,711	$13,555,263	$7,430,853	$98,384	$1,741,611	$2,317,600
(26)	**SUB - TOTAL**	$495,305,402	$424,164,407	$39,419,274	$565,645	$12,859,836	$18,296,240
(27)	**Services, contracts & supplies**	$102,727,050	$43,699,365	$26,070,878	$24,301,587	$7,084,688	$1,570,532
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$13,044,784	$13,044,784				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$11,799,439	$0	$11,789,717	$9,722	$0	$0
(31)	Unsupported	$13,878,897	$9,460,927	$4,208,252	$0	$209,718	$0
(32)	Total Amortization	$25,678,336	$9,460,927	$15,997,969	$9,722	$209,718	$0
	Interest on capital debt						
(33)	Supported	$3,148,805	$771,457	$2,239,430	$17,004	$120,914	$0
(34)	Unsupported	$197,230	$0	$197,230	$0	$0	$0
(35)	Other interest charges	$74,800	$74,800	$0	$0	$0	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$640,176,407	$491,215,740	$83,924,781	$24,893,958	$20,275,156	$19,866,772
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($8,355,491)	$4,655,229	($12,035,845)	($3,055,363)	$2,080,488	$0

School Jurisdiction Code: 3020

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$13,062,766
Base Instruction (Gr 1-12)	$362,332,590
Outreach Programs	$312,120
Home Education	$1,045,307
Differential Cost Funding *	$84,823,004
Other Provincial Support	
Institutional Programs	$5,078,240
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$2,581,400
Learning Resources Credit	$551,345
Federal French Funding	$349,580
Provincial Priority Targeted Funding	
Class Size Initiative	$13,217,716
Student Health Initiative (SHI)	$1,328,749
Alberta Initiative for School Improvement (AISI)	$10,624,007
High Speed Networking	$283,962
Children and Youth with Complex Needs	$32,433
Other Alberta Education Revenues (describe): PO&M EDUCATION PORTION, EXTERNAL CONTRACTS (CURRICULUM,ITS),	$27,489,991
Total Alberta Education Revenues	$523,113,210

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 3020

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$40,898,792	$1,350,754	$1,859,923		$0	$0	$44,109,469
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$25,572,882	$11,583,966	$5,100,900		$0		$42,257,748
ECS Program Unit (PUF)	$4,750,303	$11,085,229	$2,058,925		$0		$17,894,457
Severe Disabilities (Gr 1-12)	$11,442,622	$10,808,594	$1,220,250		$0		$23,471,466
English as a Second Language	$1,535,120	$619,818	$443,878		$0		$2,598,816
French Language Program & Francisation (all jurisdictions)	$206,505	$83,367	$59,708		$0		$349,580
First Nations, Metis and Inuit Education (ECS - Gr 12)	$1,359,423	$551,491	$633,135		$0		$2,544,049
Home Education	$566,138	$143,207	$335,962		$0		$1,045,307
Institutional Programs	$5,682,520	$806,084	$399,428		$0		$6,888,032
Alberta Initiative for School Improvement	$8,144,275	$453,888	$2,669,330	$423,828	$0		$11,691,321
Student Health Initiative	$0	$1,159,016	$165,049		$0		$1,324,065
High Speed Networking			$283,962		$0		$283,962
Class Size	$13,217,715	$0	$0	$0	$0		$13,217,715
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$32,466		$0		$32,466
All Other Student Instruction Expenses (ECS - Gr 12)	$233,869,485	$38,273,211	$22,523,479	$5,773,105	$0	$23,351,968	$323,507,287
TOTAL EXPENSES	$347,245,780	$76,918,625	$37,786,395	$6,196,933	$0	$23,351,968	$491,215,740

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	348.6	309.9
ECS Program Unit (PUF)	58.5	251.5
Severe Disabilities (Gr 1-12)	156.0	295.5

Note 1 Excludes Learning Resources

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets

School Jurisdiction Code: 3020

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$640,176,407**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$25,607,056
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$25,607,056**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$20,275,156
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$20,275,156
MAXIMUM EXPENSE LIMIT	$25,607,056
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$5,331,900

School Jurisdiction Code: 3020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$5,245,859
Source of Net School Generated Funds:				
Fundraising activities	$4,030,099	$1,993,135	$2,036,964	
Student fees (Non-Instructional) (Note 2)	$9,639,353		$9,639,353	
Donations and grants to schools	$242,480		$242,480	
Other (describe) CASH SHORTAGES/OVERAGES, INTERE	$265,507	$12,077	$253,430	
Net Additions to SGF	$14,177,439	$2,005,212		$12,172,227
Net SGF Available for Discretionary Spending				$17,418,086
Application of Net School Generated Funds:				
Extra-curricular activities			$9,217,615	
School beautification			$13,730	
Field Trips			$3,379,924	
Equipment			$0	
Family literacy and other community resources			$420,243	
Other (describe) I.D. CARDS			$13,272	
Net SGF Expended for Discretionary Purposes (Note 3)				$13,044,784
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$4,373,302

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 3020

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$19,811,266	$9,801,434	$0	$0	$2,375,721	$31,988,421		$31,988,421
Uncertificated benefits	$4,946,237	$1,887,628	$0	$0	$596,988	$7,430,853		$7,430,853
Sub-total Remuneration	$24,757,503	$11,689,062	$0	$0	$2,972,709	$39,419,274		$39,419,274
Contracted Services	$100,717	$738,239	$308,003	$2,583,679	$121,168	$3,851,806		$3,851,806
Supplies	$560,917	$3,095,789	$0	$0	$179,939	$3,836,645		$3,836,645
Electricity			$5,781,244			$5,781,244		$5,781,244
Natural Gas/Heating Fuel			$8,612,436			$8,612,436		$8,612,436
Sewer and Water			$1,105,379			$1,105,379		$1,105,379
Telecommunications			$1,485,132			$1,485,132		$1,485,132
Insurance					$1,398,236	$1,398,236		$1,398,236
Amortization of capital assets								
Supported							$11,789,717	$11,789,717
Unsupported						$4,208,252		$4,208,252
Total Amortization						$4,208,252	$11,789,717	$15,997,969
Interest on capital debt								
Supported							$2,239,430	$2,239,430
Unsupported				$197,230		$0		$197,230
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$25,419,137	$15,523,090	$17,292,194	$2,780,909	$4,672,052	$69,698,404	$14,029,147	$83,924,781
SQUARE METRES								
School Buildings								1,091,063.0
Non School Buildings								53,125.0
UNCERTIFICATED FTE'S (Board/Contract)	538.7	204.6						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3020

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	HANSEN, SVEND	1.0	$29,879	$1,177	$6,906			$37,962	$7,261
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	WILLIAMS, DON	0.8	$18,660	$1,832	$7,808			$28,300	$8,262
Name	NICHOLSON, GEORGE	1.0	$23,647	$869	$8,518			$33,034	$8,806
Name	FLEMING, DON	1.0	$23,455	$5,805	$12,431			$41,691	$8,639
Name	GIBEAULT, GERRY	1.0	$20,556	$4,228	$10,457			$35,241	$9,078
Name	ESSLINGER, BEV	0.8	$17,426	$4,058	$9,775			$31,259	$5,627
Name	KEIVER, WENDY	0.8	$17,426	$4,973	$9,228			$31,627	$5,561
Name	COLBURN, DAVID	0.8	$17,426	$3,989	$7,650			$29,065	$5,601
Name	GIBSON, KEN	0.8	$17,371	$3,824	$4,782			$25,977	$3,162
Name	DEAN, BOB	0.2	$3,497	$207	$726			$4,430	$1,532
Name	WOODROW, JEAN	0.2	$3,542	$209	$575			$4,326	$369
Name	BONKO, BILL	0.2	$3,646	$546	$319			$4,511	$369
Name	MARTIN, RAY	0.2	$3,132	$703	$318			$4,153	$369
Name	ODYNSKI, LYNNE	0.2	$3,130	$312	$425			$3,867	$369
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$202,793*	*$32,732*	*$79,918*			*$315,443*	*$65,005*
Superintendent	McBEATH, ANGUS	1.0	$168,310	$8,440	$0	$0	$0	$176,750	$476
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	SHERWOOD, ANNE	1.0	$86,279	$13,917	$2,409	$0	$0	$102,605	$6,306
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	POWER, DEAN	1.0	$121,486	$18,162	$2,409	$0	$0	$142,057	$5,538
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		4,472.1	$317,783,869	$35,194,765	$0	$0	$0	$352,978,634	
Uncertificated Salaries & Wages		2,889.8	$116,604,189	$25,097,722	$0	$0	$0	$141,701,911	
TOTALS			**$434,966,926**	**$60,365,738**	**$84,736**	**$0**	**$0**	**$495,417,400**	

School Jurisdiction Code: 0046

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Elk Island Catholic Separate Regional Division No. 41
Legal Name of School Jurisdiction

160 Festival Way; Sherwood Park, AB T8A 5Z2
Mailing Address

780-467-8896 (phone) 780-467-5469 (fax)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Elk Island Catholic Separate Regional Division No. 41
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Tony Sykora — "Original Signed"
Name — Signature

SUPERINTENDENT

Doug Aitkenhead — "Original Signed"
Name — Signature

SECRETARY TREASURER OR TREASURER

Alberta Hutchings — "Original Signed"
Name — Signature

8-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Hawkings Epp Dumont LLP
Chartered Accountants

E.A. Hawkings, CA*
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P.J. Dirks, CA*
L.M. Custer, CMA
D.M. Goulet-Soetaert, CA, CMA*
T.D. Tinney, CA*
J.S. Hawkings, CA*
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AUDITORS' REPORT

To the Trustees of
Elk Island Catholic Separate Regional Division No. 41
Sherwood Park, Alberta

We have audited the statement of financial position of Elk Island Catholic Separate Regional Division No. 41 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Regional Division as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hawkings Epp Dumont LLP

Edmonton, Alberta
November 7, 2005

HAWKINGS EPP DUMONT LLP
Chartered Accountants

Founding Partners
F.J. Bruha, CA (Deceased)
A.W. Whelan, CA (Retired)

Stony Plain Office
Phone (780) 963-2727
Fax (780) 963-1294
Email: email@hawkings.com
*Professional Corporation

School Jurisdiction Code: 0046

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$2,527,718	$2,089,022
Accounts receivable (net after allowances)		$3,286,773	$4,957,110
Prepaid expenses		$102,282	$156,878
Other current assets		$0	$1,827
Total current assets		$5,916,773	$7,204,837
School generated assets		$475,631	$403,478
Trust assets		$66,596	$76,586
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,656,711	$1,656,711
Buildings	$61,175,070		
Less: accumulated amortization	($30,556,963)	$30,618,107	$31,895,655
Equipment	$4,892,067		
Less: accumulated amortization	($2,135,066)	$2,757,001	$2,230,189
Vehicles	$2,880,791		
Less: accumulated amortization	($1,799,367)	$1,081,424	$703,266
Total capital assets		$36,113,243	$36,485,821
TOTAL ASSETS		$42,572,243	$44,170,722
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,142,173	$4,996,626
Deferred revenue		$1,124,414	$445,504
Deferred capital allocations		$383,056	$394,095
Current portion of all long term debt		$1,274,981	$1,293,387
Total current liabilities		$5,924,624	$7,129,612
School generated liabilities		$475,631	$403,478
Trust liabilities		$66,596	$76,586
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$7,319,538	$8,592,925
	Less: Current portion of supported debt	($1,264,981)	($1,283,387)
Unsupported:	Debentures and Capital Loans	$10,000	$20,000
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($10,000)	($10,000)
Unamortized capital allocations		$24,326,419	$24,026,568
Total long term liabilities		$30,923,203	$31,826,170
TOTAL LIABILITIES		$36,847,827	$38,955,782
NET ASSETS			
Unrestricted net assets		$363,458	$363,436
Operating Reserves		$811,807	$700,854
Accumulated Operating Surplus (Deficit)		$1,175,265	$1,064,290
Investment in capital assets		$4,457,294	$3,846,324
Capital Reserves		$91,857	$304,326
Total Capital Funds		$4,549,151	$4,150,650
Total net assets		$5,724,416	$5,214,940
TOTAL LIABILITIES AND NET ASSETS		$42,572,243	$44,170,722

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0046

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005 Restated	Actual 2004 Restated
REVENUES			
Government of Alberta	$41,738,219	$40,717,085	$39,597,133
Federal Government and/or First Nations	$5,987	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$309,373	$310,417	$299,024
Transportation fees	$113,830	$118,360	$81,887
Other sales and services	$933,410	$592,683	$685,956
Investment income	$99,005	$104,000	$121,596
Gifts and donations	$24,044	$21,750	$32,672
Rentals of facilities	$104,796	$38,000	$52,542
Net school generated funds	$182,739	$130,000	$178,221
Gains on disposal of capital assets	$7,800	$2,000	$2,000
Amortization of capital allocations	$1,932,176	$1,592,281	$1,654,998
Total Revenues	$45,451,379	$43,626,576	$42,706,029
EXPENSES			
Certificated salaries	$23,682,327	$20,842,885	$21,637,980
Certificated benefits	$2,816,755	$2,456,538	$2,535,044
Uncertificated salaries and wages	$7,517,942	$7,342,132	$7,613,710
Uncertificated benefits	$1,505,541	$967,016	$1,511,886
Services, contracts and supplies	$5,988,858	$8,824,841	$5,943,699
Net school generated funds	$182,739	$130,000	$178,221
Capital and debt services			
Amortization of capital assets			
Supported	$1,932,176	$1,592,261	$1,654,998
Unsupported	$469,256	$120,078	$430,841
Total Amortization of capital assets	$2,401,432	$1,712,339	$2,085,839
Interest on capital debt			
Supported	$840,788	$1,346,925	$976,998
Unsupported	$1,992	$0	$3,194
Total Interest on capital debt	$842,780	$1,346,925	$980,192
Other interest charges	$3,537	$3,900	$3,095
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$44,941,911	$43,626,576	$42,489,666
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	$509,468	$0	$216,363
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$509,468	$0	$216,363

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0046

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$509,468	$216,363
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,932,176)	($1,654,998)
Total amortization expense	$2,401,432	$2,085,839
Gains on disposal of capital assets	($7,800)	($2,000)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$1,670,337	($2,650,749)
Prepaids and other current assets	$56,423	($22,152)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,854,453)	$872,462
Deferred revenue	$678,910	($226,673)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$2	($3)
Total sources (uses) of cash from Operations	$1,522,143	($1,381,911)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($546,395)	($6,972,953)
Equipment	($966,505)	($1,515,764)
Vehicles	($515,948)	($80,900)
Net proceeds from disposal of capital assets	$7,800	$2,000
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,021,048)	($8,567,617)
C. FINANCING ACTIVITIES		
Capital allocations	$947,601	$3,261,878
Issue of long term debt	$0	$0
Repayment of long term debt	($1,283,387)	($1,406,579)
Add back: supported portion	$1,273,387	$1,396,580
Other (describe)		$0
Total sources (uses) of cash from Financing activities	$937,601	$3,251,879
Net sources (uses) of cash during year	$438,696	($6,697,649)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$2,089,022	$8,786,671
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$2,527,718	$2,089,022

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

School Jurisdiction 0046

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$5,214,940	$3,846,324	$363,436	$1,005,180	$1,082	$12,264	$672,544	$10,932	$27,228	$0	$0	$281,130	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$5,214,940	$3,846,324	$363,436	$1,005,180	$1,082	$12,264	$672,544	$10,932	$27,228	$0	$0	$281,130	$0	$0
Surplus(def) of revenue over expenses	$509,468		$509,468											
Board funded capital transactions		$1,080,218	($65,702)	($1,014,516)	($74,339)	$0	($465,076)	$0	$0	$0	$0	($475,101)	$0	$0
Direct credits to net assets	$8	$8												
Amortization of capital assets		($2,401,432)	$2,401,432											
Amortization of capital allocations		$1,932,176	($1,932,176)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0												
Net transfers to operating reserves			($1,094,053)	$1,094,053	$671,055		$71,146		$351,852		$0		$0	
Net transfers from operating reserves			$443,685	($443,685)	($511,682)		$67,997		$0		$0		$0	
Net transfers to capital reserves			($262,632)	$262,632		$0		$0		$0		$262,632		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0				$0
Balance at August 31, 2005	$5,724,416	$4,457,294	$363,458	$903,664	$86,116	$12,264	$346,611	$10,932	$379,080	$0	$0	$68,661	$0	$0

School Jurisdiction Code: 0046

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$394,095	$24,026,568
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$394,095	$24,026,568
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$720,197	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$2,393	
Other capital grants and donations	$225,011	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds		
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,273,387
Expended capital allocations - current year	($958,640)	$958,640
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,932,176
Balance at August 31, 2005	$383,056	$24,326,419

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2005

1. AUTHORITY AND PURPOSE

The Division delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

(b) Capital assets

Capital assets are recorded in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following annual rates:

Buildings	2.5% and 4%
Equipment and furniture	10% and 20%
Vehicles	10% and 20%

Only capital assets with a cost in excess of $5,000 are capitalized. Certain lands for school sites have been acquired at no cost to the Division. Capital allocations received for capital asset additions are amortized into revenue over the same period as the related asset is amortized (see Note 7).

(c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Vacation Pay

Vacation pay is accrued in the period in which the benefit is earned by the employee.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The Division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $431,033 (2004 - $384,195) for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 - deficiency of $1,453,487,000).

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

(f) Prepaid Expenses

Certain expenditures incurred and paid for before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

(g) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the Division to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Due to the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Infrastructure and Transportation	$ 1,549,100	$ 2,760,332
Alberta Municipalities	985,796	919,899
Alberta Finance	407,673	477,609
Other	207,083	272,765
Federal Government	101,251	230,061
Alberta Education	35,870	296,444
	$ 3,286,773	$ 4,957,110

4. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the Division for two teachers who are on deferred salary leave plans and for three scholarship funds.

	2005	2004
Deferred salary leave plans	$ 34,363	$ 42,680
Scholarships	32,233	33,906
	$ 66,596	$ 76,586

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Alberta Education	$ 1,277,251	$ 1,262,415
Trade payables and accrued liabilities	1,095,250	3,091,221
Alberta Finance	408,074	478,417
Alberta Infrastructure and Transportation	203,123	-
Other Alberta School Jursidictions	123,583	123,583
Alberta Municipalities	34,193	31,442
Federal Government	699	9,548
	$ 3,142,173	$ 4,996,626

6. DEFERRED REVENUE

	2005	2004
Infrastructure Maintenance Program	$ 629,375	$ 186,817
Classroom Resources	135,000	-
Other	113,726	48,599
Alberta Initiative for School Improvements	111,448	116,700
Transporation fees	71,865	65,637
Video-conferencing	60,000	-
LRC	3,000	27,751
	$ 1,124,414	$ 445,504

7. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the Division for which the related expenditure has not been made at year-end. When expended, deferred capital allocations are transferred to unamortized capital allocations.

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2005

8. LONG-TERM DEBT

The debentures are held by the Alberta Municipal Financing Corporation and bear interest at rates ranging from 7.5% to 12.0%. Of the balance of $7,329,538, $7,319,538 is supported by Alberta Finance.

The following annual payments of principal are due on debenture debt:

2006	$ 1,274,981
2007	1,264,981
2008	1,227,181
2009	1,051,969
2010	853,687
2011 to maturity	1,656,739
	$ 7,329,538

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been expended, but have to be amortized over the useful life of the related capital asset. Unamortized capital allocations are increased by transfers of previously deferred capital allocations which are now expended, as well as fully-supported debentured capital funds, as the principal is repaid.

10. COMMITMENTS

The Division and Elk Island Public Schools Regional Division No. 14 ("the Tennant") have entered into a joint agreement with Strathcona County for the lease of the land on which the new Holy Spirit School is being constructed. The lease term commenced May 31, 2002 and extends to May 31, 2052. The base rent for the entire term of the lease is $1. The lease contains a renewal option of two (2) further terms of twenty-five (25) years each. Upon the expiration of the second renewal term, should the Tennant require the lands for active use in the operation of the Holy Spirit School, the County and the Tennant may agree to extend or renew the lease as mutually agreed to by both parties.

At the termination of the lease or the renewal terms, and subject to ministerial approval, the facility shall be surrendered to the County subject only to the County making payment equal to the market value of the facility.

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2005

11. CONTINGENCIES

(a) Contingent Liability

In 1975, the Division entered into an agreement with the Catholic Archdiocese of Edmonton. The Archdiocese provided funds to the Division for the construction and furnishing of school buildings and the Division granted the Archdiocese use of the space at times not usually needed by the Division. The agreement provides that if the agreement is terminated, the sums advanced by the Archdiocese shall be construed as a loan repayable without interest. Under this agreement, the Archdiocese advanced $104,620 for the construction of the Madonna Community Centre.

(b) Contingent Asset

The Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset which the Division can liquidate.

12. ECONOMIC DEPENDENCE

The Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

14. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the current year's presentation.

ELK ISLAND CATHOLIC SEPARATE REGIONAL DIVISION NO. 41

SCHEDULE OF SERVICES, CONTRACTS, AND SUPPLIES EXPENSES

FOR THE YEAR ENDED AUGUST 31, 2005

	2005	2004
Supplies and materials	$ 1,209,990	$ 1,251,089
Contract services	1,091,675	717,028
Utilities	1,049,157	1,061,737
Maintenance and repairs	596,354	719,277
Professional development	205,699	235,679
Rentals	190,601	208,505
Insurance	188,642	188,568
Out of District Placements	184,286	205,414
Telephone	164,820	169,355
Professional services	162,554	80,817
Computer equipment	158,542	90,293
Memberships and fees	140,103	144,919
Textbooks	108,454	316,188
Software	95,643	60,228
Travel and subsistence	70,330	68,547
Tuitions	64,173	45,686
External consulting services	51,774	75,064
Library and media materials	45,759	66,290
Staff/community relations	44,726	30,925
Furniture and equipment	34,796	58,420
Vehicles	31,160	38,586
Advertising	20,943	21,349
Postage fees	16,711	16,065
Cancopy license	14,285	12,229
Printing and binding services	13,870	17,126
Stand testing	12,861	15,632
Student transportation	12,716	24,481
Test library	5,897	2,053
Mobile radio licenses	1,981	1,981
Other	356	168
	$ 5,988,858	$ 5,943,699

SCHEDULE A to the AFS

School Jurisdiction Cod 0046

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$38,423,726	$32,841,169	$1,561,376	$2,245,129	$1,776,052	$0
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$284,941	$0	$284,941			
(3) Regular Operations & Maintenance support	$2,185,927		$2,185,927			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$2,470,868	$0	$2,470,868			
(6) **Alberta Finance**	$840,988		$840,988			$0
(7) **Other - Government of Alberta**	$2,637	$0	$2,637	$0	$0	$0
(8) **Federal Government and/or First Nations**	$5,987	$3,360	$1,493	$1,134	$0	$0
(9) **Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12) **Instruction resource fees**	$309,373	$309,373				
(13) **Transportation fees**	$113,830			$113,830		
(14) **Other sales and services**	$933,410	$110,377	$2,799	$77,790	$90,922	$651,522
(15) **Investment income**	$99,005	$1,327	$67,030	$27,571	$3,077	$0
(16) **Gifts and donations**	$24,044	$24,044	$0	$0		$0
(17) **Rentals of facilities**	$104,796	$0	$103,799	$997	$0	$0
(18) **Net school generated funds**	$182,739	$182,739			$0	
(19) **Gains on disposal of capital assets**	$7,800	$0	$2,600	$5,200	$0	$0
(20) **Amortization of capital allocations**	$1,932,176	$40,703	$1,891,473	$0		$0
(21) **TOTAL REVENUES**	$45,451,379	$33,513,092	$6,945,063	$2,471,651	$1,870,051	$651,522
EXPENSES						
(22) **Certificated salaries**	$23,682,327	$23,210,428			$242,926	$228,973
(23) **Certificated benefits**	$2,816,755	$2,769,732			$16,960	$30,063
(24) **Uncertificated salaries and wages**	$7,517,942	$3,936,963	$1,700,547	$834,982	$718,911	$326,539
(25) **Uncertificated benefits**	$1,505,541	$811,863	$313,134	$190,767	$127,640	$62,137
(26) **SUB - TOTAL**	$35,522,565	$30,728,986	$2,013,681	$1,025,749	$1,106,437	$647,712
(27) **Services, contracts & supplies**	$5,988,858	$2,279,218	$2,094,153	$1,202,656	$409,021	$3,810
(28) **Cost recoveries & charges to programs**	$0	$20,184	$0	($20,184)	$0	$0
(29) **Net school generated funds**	$182,739	$182,739				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$1,932,176	$40,703	$1,891,473	$0	$0	$0
(31) Unsupported	$469,256	$254,320	$67,997	$114,823	$32,116	$0
(32) Total Amortization	$2,401,432	$295,023	$1,959,470	$114,823	$32,116	$0
Interest on capital debt						
(33) Supported	$840,788	$0	$840,788	$0	$0	$0
(34) Unsupported	$1,992	$0	$1,992	$0	$0	$0
(35) Other interest charges	$3,537	$0	$0	$798	$2,739	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$44,941,911	$33,506,150	$6,910,084	$2,323,842	$1,550,313	$651,522
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	$509,468	$6,942	$34,979	$147,809	$319,738	$0

School Jurisdiction Code: 0046

SCHEDULE B to the AFS

ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$1,064,778
Base Instruction (Gr 1-12)	$27,321,950
Outreach Programs	$0
Home Education	$1,241
Differential Cost Funding *	$6,538,513
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$55,839
Federal French Funding	$74,267
Provincial Priority Targeted Funding	
Class Size Initiative	$1,071,500
Student Health Initiative (SHI)	$0
Alberta Initiative for School Improvement (AISI)	$696,223
High Speed Networking	$33,481
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) O &M April - August, Microsoft, Library , Prior year adjustments	$1,565,934
Total Alberta Education Revenues	$38,423,726

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 0046

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$2,647,809	$1,261,308	$1,256,486		$0	$0	$5,165,603
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$0	$0	$0		$0		$0
ECS Program Unit (PUF)	$0	$156,639	$59,273		$0		$215,912
Severe Disabilities (Gr 1-12)	$975,137	$2,393,345	$81,304		$0		$3,449,786
English as a Second Language	$22,950	$0	$0		$0		$22,950
French Language Program & Francisation (all jurisdictions)	$74,267	$0	$0		$0		$74,267
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$1,004	$0	$8,527		$0		$9,531
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$462,805	$143,155	$89,691	$572	$0		$696,223
Student Health Initiative	$0	$0	$0		$0		$0
High Speed Networking			$0		$0		$0
Class Size	$1,026,651	$0	$0	$0	$0		$1,026,651
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$20,769,537	$794,379	$670,911	$108,454	$20,184	$481,762	$22,845,227
TOTAL EXPENSES	$25,980,160	$4,748,826	$2,166,192	$109,026	$20,184	$481,762	$33,506,150

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	4.5	3.3
ECS Program Unit (PUF)	0.1	4.1
Severe Disabilities (Gr 1-12)	9.0	66.7

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0046

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$44,941,911**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.28%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,923,514
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,923,514**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,550,313
PLUS: transfers to Restricted - Operating (Board/System Administration)	$351,852
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,902,165
MAXIMUM EXPENSE LIMIT	$1,923,514
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$21,349

School Jurisdiction Code: 0046

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$403,478
Source of Net School Generated Funds:	**Gross SGF**	**Related Expenses**	**Net SGF**	
Fundraising activities	$443,403	$410,273	$33,130	
Student fees (Non-Instructional) (Note 2)	$417,267		$417,267	
Donations and grants to schools	$104,296		$104,296	
Other (describe): Field trips, extra curricular, sports etc	$1,318,197	$1,617,998	($299,801)	
Net Additions to SGF	$2,283,163	$2,028,271		$254,892
Net SGF Available for Discretionary Spending				$658,370
Application of Net School Generated Funds:				
Extra-curricular activities			$51,203	
School beautification			$248	
Field Trips			$15,207	
Equipment			$61,266	
Family literacy and other community resources			$726	
Other (describe):			$54,089	
Net SGF Expended for Discretionary Purposes (Note 3)				$182,739
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$475,631

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0046

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,343,018	$237,387	$0	$0	$120,142	$1,700,547		$1,700,547
Uncertificated benefits	$239,197	$54,636	$0	$0	$19,301	$313,134		$313,134
Sub-total Remuneration	$1,582,215	$292,023	$0	$0	$139,443	$2,013,681		$2,013,681
Contracted Services	$230,451	$282,745	$0	$257,793	$0	$770,989		$770,989
Supplies	$117,015	$153,916	$0	$0	$25,045	$295,976		$295,976
Electricity			$518,322			$518,322		$518,322
Natural Gas/Heating Fuel			$376,488			$376,488		$376,488
Sewer and Water			$111,894			$111,894		$111,894
Telecommunications			$13,523			$13,523		$13,523
Insurance					$6,960	$6,960		$6,960
Amortization of capital assets								
Supported							$1,891,473	$1,891,473
Unsupported						$67,997		$67,997
Total Amortization						$67,997	$1,891,473	$1,959,470
Interest on capital debt								
Supported							$840,788	$840,788
Unsupported				$0		$1,992		$1,992
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,929,681	$728,684	$1,020,227	$257,793	$171,448	$4,177,823	$2,732,261	$6,910,084
SQUARE METRES								
School Buildings								66,230.0
Non School Buildings								1,561.0
UNCERTIFICATED FTE'S (Board/Contract)	31.7	4.7						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 0046

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Tony Sylora	1.0	$10,659	$228	$0			$10,887	$2,051
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	John Convey	1.0	$11,861	$259	$0			$12,120	$4,023
Name	Ron Baier	1.0	$11,208	$239	$0			$11,447	$5,847
Name	Jean Boisvert	1.0	$10,358	$209	$0			$10,567	$2,995
Name	Ed Muzechka	1.0	$10,358	$209	$0			$10,567	$3,782
Name	Geral Mykytiuk	1.0	$10,358	$209	$0			$10,567	$6,167
Name	Ted Paszek	1.0	$10,358	$209	$0			$10,567	$4,718
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$75,160*	*$1,562*	*$0*			*$76,722*	*$29,583*
Superintendent	Doug Aitkenhead	1.0	$130,000	$8,308	$0	$0	$0	$138,308	$11,352
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Alberta Hutchings	1.0	$112,455	$17,420	$0	$0	$0	$129,875	$11,935
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		338.2	$23,552,327	$2,808,447	$0	$0	$0	$26,360,774	
Uncertificated Salaries & Wages		217.4	$7,330,327	$1,486,559	$0	$0	$0	$8,816,886	
TOTALS			**$31,200,269**	**$4,322,296**	**$0**	**$0**	**$0**	**$35,522,565**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code 2195

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Elk Island Public Schools Regional Division #14
Legal Name of School Jurisdiction

683 Wye Road, Sherwood Park
Mailing Address

Telephone (780) 417-8111 Fax (780) 417-8181
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Elk Island Public Schools Regional Division #14
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Lois Byers	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT	
Rob McPhee	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER	
Brian Smith	"ORIGINAL SIGNED"
Name	**Signature**

15-Dec-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To the Board of Trustees of
Elk Island Public Schools Regional Division No. 14

We have audited the statement of financial position of the **Elk Island Public Schools Regional Division No. 14** as at August 31, 2005 and the statements of revenues and expenses, cash flows, and changes in net assets for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Elk Island Public Schools Regional Division No. 14 as at August 31, 2005 and the results of its operations, its cash flows and changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Ernst + Young LLP

Chartered Accountants

Edmonton, Canada
November 18, 2005

School Jurisdiction Code: 2195

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$5,118,692	$7,103,333
Accounts receivable (net after allowances)		$6,024,414	$6,244,182
Prepaid expenses		$270,388	$282,043
Other current assets		$15,220	$34,945
Total current assets		$11,428,714	$13,664,503
School generated assets		$2,535,933	$2,150,367
Trust assets		$3,940,687	$2,144,248
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,475,856	$1,475,856
Buildings	$103,447,790		
Less: accumulated amortization	($58,980,834)	$44,466,956	$46,417,405
Equipment	$33,811,870		
Less: accumulated amortization	($31,705,763)	$2,106,107	$1,795,887
Vehicles	$678,423		
Less: accumulated amortization	($403,815)	$274,608	$274,585
Total capital assets		$48,323,527	$49,963,733
TOTAL ASSETS		$66,228,861	$67,922,851
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$5,565,464	$7,624,171
Deferred revenue		$2,589,504	$2,641,608
Deferred capital allocations		$174,597	$126,641
Current portion of all long term debt		$2,380,024	$2,736,439
Total current liabilities		$10,709,589	$13,128,859
School generated liabilities		$2,535,933	$2,150,367
Trust liabilities		$3,940,687	$2,144,248
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$5,442,691	$7,599,354
Less: Current portion of supported debt		($1,740,322)	($2,156,663)
Unsupported: Debentures and Capital Loans		$7,389,725	$7,611,028
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($639,702)	($579,776)
Unamortized capital allocations		$33,642,051	$32,809,773
Total long term liabilities		$50,571,063	$49,578,331
TOTAL LIABILITIES		$61,280,652	$62,707,190
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$1,370,715	$2,210,168
Accumulated Operating Surplus (Deficit)		$1,370,715	$2,210,168
Investment in capital assets		$2,528,193	$2,406,380
Capital Reserves		$1,049,301	$599,113
Total Capital Funds		$3,577,494	$3,005,493
Total net assets		$4,948,209	$5,215,661
TOTAL LIABILITIES AND NET ASSETS		$66,228,861	$67,922,851

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2195

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005 Revised	Actual 2004 Restated
REVENUES			
Government of Alberta	$115,597,858	$114,638,313	$109,228,121
Federal Government and/or First Nations	$630	$0	$848
Other Alberta school authorities	$190,145	$195,000	$195,260
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$9,754	$0	$9,082
Instruction resource fees	$858,279	$922,840	$862,139
Transportation fees	$315,821	$300,000	$157,711
Other sales and services	$2,656,787	$2,300,481	$4,593,558
Investment income	$250,193	$85,000	$306,054
Gifts and donations	$6,318	$0	$6,268
Rentals of facilities	$249,259	$216,300	$147,328
Net school generated funds	$4,014,886	$760,000	$4,186,657
Gains on disposal of capital assets	$19,589	$0	$0
Amortization of capital allocations	$2,522,198	$2,422,628	$2,492,685
Total Revenues	$126,691,717	$121,840,562	$122,185,711
EXPENSES			
Certificated salaries	$64,956,237	$63,944,263	$61,156,253
Certificated benefits	$6,886,788	$7,033,869	$6,382,206
Uncertificated salaries and wages	$17,886,326	$17,617,774	$17,271,628
Uncertificated benefits	$3,707,356	$4,049,149	$3,670,110
Services, contracts and supplies	$24,643,593	$26,477,952	$24,482,309
Net school generated funds	$4,014,886	$760,000	$4,186,657
Capital and debt services			
Amortization of capital assets			
Supported	$2,522,198	$2,422,628	$2,492,685
Unsupported	$1,282,167	$445,128	$1,344,112
Total Amortization of capital assets	$3,804,365	$2,867,756	$3,836,797
Interest on capital debt			
Supported	$660,933	$660,933	$905,782
Unsupported	$397,353	$120,976	$200,266
Total Interest on capital debt	$1,058,286	$781,909	$1,106,048
Other interest charges	$1,332	$0	$1,227
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$126,959,169	$123,532,672	$122,093,235
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($267,452)	($1,692,110)	$92,476
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($267,452)	($1,692,110)	$92,476

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 2195

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($267,452)	$92,476
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,522,198)	($2,492,685)
Total amortization expense	$3,804,365	$3,836,797
Gains on disposal of capital assets	($19,589)	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$219,768	($3,463,464)
Prepaids and other current assets	$31,380	($78,453)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($2,058,707)	$739,549
Deferred revenue	($52,104)	($30,803)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($864,537)	($1,396,583)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,249,379)	($12,906,797)
Equipment	($861,592)	($292,187)
Vehicles	($53,187)	($124,021)
Net proceeds from disposal of capital assets	$19,588	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,144,570)	($13,323,005)
C. FINANCING ACTIVITIES		
Capital allocations	$1,245,769	$1,994,002
Issue of long term debt	$393,000	$5,295,000
Repayment of long term debt	($2,770,966)	($2,524,844)
Add back: supported portion	$2,156,663	$2,299,132
Other (describe)	$0	$0
Total sources (uses) of cash from Financing activities	$1,024,466	$7,063,290
Net sources (uses) of cash during year	($1,984,641)	($7,656,298)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$7,103,333	$14,759,631
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	$5,118,692	$7,103,333

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.
2 Cash and temporary investments are net of cash obligations.

School Jurisdiction 2195

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols. 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols. 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$5,215,661	$2,406,380	$0	$2,809,281	$1,952,992	$568,913	$206,297	$30,200	$50,879	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$5,215,661	$2,406,380	$0	$2,809,281	$1,952,992	$568,913	$206,297	$30,200	$50,879	$0	$0	$0	$0	$0
Surplus(def) of revenue over expense	($267,452)		($267,452)											
Board funded capital transactions		$824,204	($712,281)	($111,923)	$0	($111,923)	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$0	$0												
Amortization of capital assets		($3,804,365)	$3,804,365											
Amortization of capital allocations		$2,522,198	($2,522,198)											
Disposal of unsupported capital asset	$0	$0	($19,589)	$19,589		$0		$19,589		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$579,776	($579,776)											
Net transfers to operating reserves			($1,370,715)	$1,370,715	$1,273,801		$0		$96,914		$0		$0	
Net transfers from operating reserves			$2,210,168	($2,210,168)	($1,952,992)		($206,297)		($50,879)		$0		$0	
Net transfers to capital reserves			($542,522)	$542,522		$0		$542,522		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2005	$4,948,209	$2,528,193	$0	$2,420,016	$1,273,801	$456,990	$0	$592,311	$96,914	$0	$0	$0	$0	$0

School Jurisdiction Code: 2195

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$126,641	$32,809,773
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$126,641	$32,809,773
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$1,155,856	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$125,000	
Other sources	$0	
Interest earned on provincial government capital allocations	($35,087)	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$2,156,663
Expended capital allocations - current year	($1,197,813)	$1,197,813
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,522,198
Balance at August 31, 2005	$174,597	$33,642,051

NOTES TO FINANCIAL STATEMENTS

August 31, 2005

1. AUTHORITY AND PURPOSE

Elk Island Public Schools Regional Division No. 14 (the "Division") was established under the authority of the School Act of Alberta to provide education programs in the Counties of Strathcona No. 20, Lamont No. 30, western portion of Minburn No. 27 and the City of Fort Saskatchewan.

The Division receives allocations under Regulation 77/2003 from the Province of Alberta.

The Division is considered a non-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared by administration in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in the administration's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Cash and temporary investments

Cash and temporary investments consist of cash and guaranteed investment certificates with maturity dates of less than 90 days after the fiscal year end.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5% to 4%
Equipment	20%
Vehicles	10%

Only capital assets with costs in excess of $5,000 are capitalized.

Amortization is not recorded on assets currently under construction which are classified as work in progress. A full year of amortization is recorded on all capital asset additions in the year the asset is acquired or in the year construction is completed and the asset is ready for its productive use.

Operating and Capital reserves

Operating reserves are established to provide for the costs of future operating expenditures. Capital reserves are established to provide for future replacement or upgrading of capital assets. These reserves are established and expended in accordance with policies established by the Board of Trustees or external restrictions specified by the Province of Alberta.

School generated funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the Division because accountability and responsibility for control of these funds rests with school principals or their appointee(s). In accordance with changes to Ministerial requirements for Alberta school jurisdictions, school generated fund revenues and expenses are presented net of specific related cost recoveries.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Revenue recognition

Revenue is recognized as follows:

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the Province of Alberta and the Government of Canada, for the acquisition of capital assets, or the repayment of debt originally incurred for the purpose of acquiring capital assets are recorded as unamortized capital allocations and amortized to revenue on the same basis as the capital assets acquired. Capital allocations that remain unspent at year-end are deferred until spent.

Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Contributed services

Volunteers assist schools operated by the Division in carrying out certain activities. Because of the difficulty of determining the fair value of such services, and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

The Division participates in the multiemployer Local Authorities Pension Plan which is accounted for as a defined contribution plan with the cost of the pension benefits recognized as contributions are made. Annual contributions for the year ended August 31, 2005, were $1,519,445. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 - $1,410,987,000 deficiency).

The current and past service costs of the Alberta Teacher Retirement fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

3. CASH AND TEMPORARY INVESTMENTS

	2005 $	2004 $
Cash	**196,617**	3,602,767
Temporary investments	**4,922,075**	3,500,566
	5,118,692	7,103,333

At August 31, 2005 nil (2004 - $733,200) of cash was restricted in use by the bank until conditions of the term loan agreement are met (see note 11).

4. ACCOUNTS RECEIVABLE

	2005 $	2004 $
Province of Alberta	**4,888,889**	5,002,046
Federal Government - GST	**269,555**	370,431
Student Health Initiative	**261,950**	-
Federal Government – Natural Resources Grant	**125,000**	-
Insurance Claims	**120,105**	355,987
Employee technology purchases	**104,035**	165,393
International Services	-	154,559
Other	**254,880**	195,766
	6,024,414	6,244,182

5. TRUST ASSETS AND LIABILITIES

	2005 $	2004 $
Student Health Initiative Partnership/Complex Needs	**3,863,347**	2,071,145
Other trust funds	**77,340**	73,103
	3,940,687	2,144,248

The Division manages funds on behalf of the Student Health Initiative Partnership(s) and Children and Youth With Complex Needs, and accordingly, amounts held at year-end are restricted in their use (see note 14).

The purpose of other trust funds are to fund student scholarships.

6. CAPITAL ASSETS

	2005		
	Cost $	Accumulated amortization $	Net book value $
Land	**1,475,856**	**-**	**1,475,856**
Buildings	**103,447,790**	**58,980,834**	**44,466,956**
Equipment	**33,811,870**	**31,705,763**	**2,106,107**
Vehicles	**678,423**	**403,815**	**274,608**
	139,413,939	**91,090,412**	**48,323,527**

	2004		
	Cost $	Accumulated amortization $	Net book value $
Land	1,475,856	-	1,475,856
Buildings	102,198,541	55,781,136	46,417,405
Equipment	32,950,282	31,154,395	1,795,887
Vehicles	650,606	376,021	274,585
	137,275,285	87,311,552	49,963,733

Capital assets include work-in-process on buildings of nil (2004 - $246,852) and equipment of $558,306 (2004 - $54,616). Amortization will not commence on these assets until construction is complete.

7. BANK INDEBTEDNESS

The Division has a $5,000,000 revolving credit facility available for operations and $3,000,000 credit facility used to secure corporate credit cards with a major bank. Both facilities bear interest annually when drawn of prime less 0.5% and are due on demand. The Division has pledged as collateral for the facilities and an operating term loan (see note 11) a general security agreement providing a first charge over all accounts receivable, inventory and equipment. At August 31, 2005, nil was drawn on either facility (2004 - nil).

8. DEFERRED REVENUE

	2005			
	Beginning balance $	**Amounts received $**	**Amounts recognized as revenue $**	**Ending balance $**
Infrastructure	**960,468**	**-**	**(78,959)**	**881,509**
Infrastructure Maintenance Program	**104,586**	**1,728,093**	**(1,411,804)**	**420,875**
Transportation Fees	**188,554**	**216,110**	**(188,554)**	**216,110**
International Services tuition/fees	**880,984**	**398,392**	**(880,984)**	**398,392**
Alberta Initiative for School Improvement	**418,039**	**431,084**	**(418,039)**	**431,084**
Video Conferencing	**-**	**150,000**	**-**	**150,000**
Other deferred revenue	**88,977**	**73,317**	**(70,760)**	**91,534**
	2,641,608	**2,996,996**	**(3,049,100)**	**2,589,504**

	2004			
	Beginning balance $	**Amounts received $**	**Amounts recognized as revenue $**	**Ending balance $**
Infrastructure	-	1,879,061	(918,593)	960,468
One time grant – 2003	273,702	-	(273,702)	-
Infrastructure Maintenance Program	607,511	584,258	(1,087,183)	104,586
Transportation Fees	-	188,554	-	188,554
International Services tuition/fees	1,328,619	880,984	(1,328,619)	880,984
Alberta Initiative for School Improvement	370,567	418,039	(370,567)	418,039
Other deferred revenue	92,012	151,473	(154,508)	88,977
	2,672,411	4,102,369	(4,133,172)	2,641,608

9. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the Division have been deferred until expended at which time they are transferred to unamortized capital allocations. Details of the changes in the deferred capital allocations account are as follows:

	2005 $	2004 $
Beginning balance	**126,641**	6,136,682
Add allocations received and receivable during the year	**1,245,769**	1,994,002
Less expended capital allocations	**(1,197,813)**	(8,004,043)
Ending balance	**174,597**	126,641

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations relate to capital funds received from the Province of Alberta and used for the acquisition of capital assets or the repayment of debt originally incurred for the purpose of acquiring capital assets. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. The changes in the unamortized capital allocations balance for the period are as follows:

	2005 $	2004 $
Beginning balance	**32,809,773**	24,999,283
Add expended capital allocations received to acquire capital assets	**1,197,813**	8,004,043
Add capital allocations received to repay long-term debt	**2,156,663**	2,299,132
Less amount amortized to revenue	**(2,522,198)**	(2,492,685)
Ending balance	**33,642,051**	32,809,773

11. LONG-TERM DEBT

	2005 $	2004 $
Debentures, interest rates ranging from 5.75% to 12.0% and maturity dates ranging from 2005 to 2023	**7,012,291**	9,256,154
Term capital loan, monthly principal and interest payments of $64,485, 5.06% interest rate, due May 1, 2014	**5,461,652**	5,945,747
Term operating loan, monthly principal and interest payments of $4,884, 4.51% interest rate, due October 31, 2009	**358,473**	-
Capital loan, annual principal payments of $8,481 due July 31, 2005	-	8,481
	12,832,416	15,210,382
Less: Current portion	**(2,380,024)**	(2,736,439)
	10,452,392	12,473,943

The debentures are fully supported by the Province of Alberta with the exception of two debentures in the amount of $784,800 (2004 - $828,400) each. All other loans are unsupported.

The Division has pledged as security for the term capital loan a general assignment of book debts including a specific assignment of those from Ameresco Canada.

To manage future interest rate obligations on the term capital loan, the Division entered into an agreement with the lender to fix the interest rate on conversion at 5.06%. Term loan proceeds were originally restricted in use on the Division's building energy retrofit capital project. On August 30, 2005 the lender removed that restriction (note 3). As a result, of the total capital loan proceeds of $6,063,000 received, $5,742,206 was used for the capital project and $320,794 is available for future capital purposes.

11. LONG-TERM DEBT (CONTINUED)

The annual repayments of long-term debt required over each of the next five years and thereafter are as follows:

	$
2006	2,380,024
2007	1,870,859
2008	1,357,548
2009	1,022,085
2010	1,167,691
Thereafter	5,034,209
	12,832,416

12. COMMITMENTS

The Division has commitments with respect to operating leases for premises, land and equipment as follows:

	$
2006	256,015
2007	228,452
2008	137,046
2009	23,400
2010	23,400
Thereafter	282,400
	950,713

13. STATEMENT OF CASH FLOWS

Supplementary disclosures in respect of the statement of cash flows are as follows:

	2005 **$**	**2004** **$**
Interest received	**248,615**	319,782
Interest paid	**1,208,986**	1,220,123

14. STUDENT HEALTH INITIATIVE PARTNERSHIP AND CHILDREN AND YOUTH WITH COMPLEX NEEDS

The Student Health Initiative (SHI or Partnership) is directed to the enhancement of services for children with special needs. It is a partnership of four major sectors – Education, Health, Mental Health, and Children's Services, at the community, regional and provincial levels. The Division has been appointed as "Banker" for the Partnership. Children and Youth With Complex Needs funding provides specialized services for children and youth with complex needs who require significant extraordinary care due to the severity of their impairment(s).

As the Banker, funds have been treated as restricted Trust Funds, and are received and disbursed on behalf of the Partnership and the Regional Integrated Case Management Teams. Only SHI funds received and spent by the Division as a partner have been recorded in these financial statements.

Included in Alberta Education Revenues on the Statement of Revenues and Expenses is program funding of $265,103, administration fees of $41,320, and cost recoveries related to expenses recorded in Services, contracts and supplies of $155,774.

15. SCHOOL GENERATED FUNDS

School generated funds included in the statement of revenue and expenditures are net of certain cost recoveries and represent school generated funds available for discretionary spending purposes. Total revenues generated from these school activities amounted to $6,329,287 (2004 - $6,013,157).

16. CONTINGENT LIABILITIES

In the ordinary course of operations various claims and lawsuits are brought against the Division. The ultimate settlement of such matters is not expected to be significant to the overall financial position of the Division. Administration has not recorded any liabilities in respect of its current claims and lawsuits.

17. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Division's primary source of revenue is from the Province of Alberta. The Division's ability to continue its operations is dependent on this funding.

18. COMPARATIVE FIGURES

Certain comparative figures have been restated, where necessary, to conform with the current year presentation.

19. UNAUDITED INFORMATION

The budget was prepared by Division administration and was approved by the Board of Trustees. Budget amounts are presented for information purposes only and have not been audited.

The Statement of Capital Allocations and the supplementary Schedules A through G attached to these financial statements are presented by the Division's administration as information for additional analysis purposes only. While such information has been derived from the Division's accounting records, the Auditors' Report does not extend to this information.

SCHEDULE A to the AFS

School Jurisdiction Cod 2195

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1) **Alberta Education Revenues**	$102,642,957	$90,843,039	$0	$6,883,932	$4,718,892	$197,094
Alberta Infrastructure and Transportation						
(2) Infrastructure Maintenance Program & Portable Relocations support	$1,563,890	$0	$1,563,890			
(3) Regular Operations & Maintenance support	$10,469,567		$10,469,567			
(4) Other support	$0	$0	$0			
(5) **Total Alberta Infrastructure and Transportation Revenues**	$12,033,457	$0	$12,033,457			
(6) **Alberta Finance**	$660,933		$660,933			$0
(7) **Other - Government of Alberta**	$260,511	$260,511	$0	$0	$0	$0
(8) **Federal Government and/or First Nations**	$630	$630	$0	$0	$0	$0
(9) **Other Alberta school authorities**	$190,145	$190,145	$0	$0	$0	$0
(10) **Out of province authorities**	$0	$0	$0	$0	$0	$0
(11) **Alberta municipalities** (excl. supplementary requisitions)	$9,754	$9,754	$0	$0	$0	$0
(12) **Instruction resource fees**	$858,279	$858,279				
(13) **Transportation fees**	$315,821			$315,821		
(14) **Other sales and services**	$2,656,787	$333,643	$8,338	$0	$6,464	$2,308,342
(15) **Investment income**	$250,193	$248,544	$0	$0	$0	$1,649
(16) **Gifts and donations**	$6,318	$6,318	$0	$0		$0
(17) **Rentals of facilities**	$249,259	$0	$234,842	$0	$0	$14,417
(18) **Net school generated funds**	$4,014,886	$4,014,886			$0	
(19) **Gains on disposal of capital assets**	$19,589	$0	$19,589	$0	$0	$0
(20) **Amortization of capital allocations**	$2,522,198	$104,193	$2,418,005	$0		$0
(21) **TOTAL REVENUES**	$126,691,717	$96,869,942	$15,375,164	$7,199,753	$4,725,356	$2,521,502
EXPENSES						
(22) **Certificated salaries**	$64,956,237	$63,962,825			$631,772	$361,640
(23) **Certificated benefits**	$6,886,788	$6,797,631			$57,036	$32,121
(24) **Uncertificated salaries and wages**	$17,886,326	$12,889,737	$2,016,024	$342,169	$2,367,718	$270,678
(25) **Uncertificated benefits**	$3,707,356	$2,735,423	$418,288	$71,952	$422,557	$59,136
(26) **SUB - TOTAL**	$93,436,707	$86,385,616	$2,434,312	$414,121	$3,479,083	$723,575
(27) **Services, contracts & supplies**	$24,643,593	$6,309,157	$9,021,144	$6,939,972	$988,771	$1,384,549
(28) **Cost recoveries & charges to programs**	$0	($462,645)	($47,000)	($37,522)	($92,654)	$639,821
(29) **Net school generated funds**	$4,014,886	$4,014,886				
Capital and debt services						
Amortization of capital assets						
(30) Supported	$2,522,198	$104,193	$2,418,005	$0	$0	$0
(31) Unsupported	$1,282,167	$459,997	$600,081	$17,726	$193,125	$11,238
(32) Total Amortization	$3,804,365	$564,190	$3,018,086	$17,726	$193,125	$11,238
Interest on capital debt						
(33) Supported	$660,933	$0	$660,933	$0	$0	$0
(34) Unsupported	$397,353	$0	$287,689	$0	$109,664	$0
(35) Other interest charges	$1,332	$0	$0	$0	$1,332	$0
(36) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37) **TOTAL EXPENSES**	$126,959,169	$96,811,204	$15,375,164	$7,334,297	$4,679,321	$2,759,183
(38) **SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($267,452)	$58,738	$0	($134,544)	$46,035	($237,681)

School Jurisdiction Code: 2195

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$2,767,430
Base Instruction (Gr 1-12)	$73,809,007
Outreach Programs	$208,080
Home Education	$97,468
Differential Cost Funding *	$19,899,852
Other Provincial Support	
Institutional Programs	$59,349
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$93,158
Federal French Funding	$108,332
Provincial Priority Targeted Funding	
Class Size Initiative	$2,703,645
Student Health Initiative (SHI)	$462,197
Alberta Initiative for School Improvement (AISI)	$1,938,485
High Speed Networking	$68,955
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Classroom Resources and Video Conferencing	$427,000
Total Alberta Education Revenues	$102,642,957

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

School Jurisdiction Code: 2195

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$8,537,157	$6,664,403	$1,519,230		$0	$79,603	$16,800,393
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$1,977,634	$1,372,393	$203,734		$0		$3,553,761
ECS Program Unit (PUF)	$583,988	$1,516,866	$614,908		$76,114		$2,791,876
Severe Disabilities (Gr 1-12)	$2,636,846	$4,340,127	$203,734		$0		$7,180,707
English as a Second Language	$0	$46,980	$0		$0		$46,980
French Language Program & Francisation (all jurisdictions)	$90,803	$17,026	$5,675		$0		$113,504
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$0		$0		$0
Home Education	$46,872	$32,023	$85,559		($6,000)		$158,454
Institutional Programs	$47,936	$1,606	$9,854		$0		$59,396
Alberta Initiative for School Improvement	$1,747,682	$34,852	$119,530	$69,608	$4,612		$1,976,284
Student Health Initiative	$72,635	$92,867	$99,601		$0		$265,103
High Speed Networking			$68,955		$0		$68,955
Class Size	$2,703,645	$0	$0	$0	$0		$2,703,645
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$52,315,258	$1,506,017	$2,105,344	$1,203,425	($537,371)	$4,499,473	$61,092,146
TOTAL EXPENSES	$70,760,456	$15,625,160	$5,036,124	$1,273,033	($462,645)	$4,579,076	$96,811,204

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12	26.0	48.3
ECS Program Unit (PUF)	7.7	53.3
Severe Disabilities (Gr 1-12)	34.6	121.1

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 2195

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$126,959,169**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$5,078,367
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	14,832	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$5,078,367**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$4,679,321
PLUS: transfers to Restricted - Operating (Board/System Administration)	$96,914
LESS: transfers from Restricted - Operating (Board/System Administration)	-$50,879
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$4,725,356
MAXIMUM EXPENSE LIMIT	$5,078,367
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$353,011

School Jurisdiction Code: 2195

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

	Gross SGF	Related Expenses	Net SGF	
Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$2,150,367
Source of Net School Generated Funds:				
Fundraising activities	$2,086,611	$1,354,403	$732,208	
Student fees (Non-Instructional) (Note 2)	$3,324,929		$3,324,929	
Donations and grants to schools	$228,625		$228,625	
Other (describe): A.M./P.M./Noon School Care & Interest	$689,122	$574,432	$114,690	
Net Additions to SGF	$6,329,287	$1,928,835		$4,400,452
Net SGF Available for Discretionary Spending				$6,550,819
Application of Net School Generated Funds:				
Extra-curricular activities			$2,070,701	
School beautification			$12,006	
Field Trips			$696,624	
Equipment			$149,535	
Family literacy and other community resources			$0	
Other (describe): School Program Expenses			$1,086,020	
Net SGF Expended for Discretionary Purposes (Note 3)				$4,014,886
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$2,535,933

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 2195

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$1,427,507	$0	$202,997	$385,520	$2,016,024		$2,016,024
Uncertificated benefits	$0	$296,262	$0	$42,000	$80,026	$418,288		$418,288
Sub-total Remuneration	$0	$1,723,769	$0	$244,997	$465,546	$2,434,312		$2,434,312
Contracted Services	$2,764,477	$871,927	$39,742	$1,601,342	$785,571	$6,063,059		$6,063,059
Supplies	$169,155	$443,075	$0	$0	$48,658	$660,888		$660,888
Electricity			$1,078,253			$1,078,253		$1,078,253
Natural Gas/Heating Fuel			$819,314			$819,314		$819,314
Sewer and Water			$187,383			$187,383		$187,383
Telecommunications			$29,069			$29,069		$29,069
Insurance					$183,178	$183,178		$183,178
Amortization of capital assets								
Supported							$2,418,005	$2,418,005
Unsupported						$600,081		$600,081
Total Amortization						$600,081	$2,418,005	$3,018,086
Interest on capital debt								
Supported							$660,933	$660,933
Unsupported				$0		$287,689		$287,689
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($47,000)		($47,000)
TOTAL EXPENSES	$2,933,632	$3,038,771	$2,153,761	$1,846,339	$1,482,953	$12,296,226	$3,078,938	$15,375,164
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0
UNCERTIFICATED FTE'S (Board/Contract)	100.0	35.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2195

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

		FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Pat McLauchlan	1.0	$27,658	$1,045	$3,904			$32,607	$1,036
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Maureen Towns	1.0	$12,196	$400	$1,083			$13,679	$678
Name	Lois Byers	1.0	$17,129	$696	$5,039			$22,864	$358
Name	Bonnie Riddell	1.0	$23,290	$857	$3,419			$27,566	$678
Name	Lynda McLellan	1.0	$2,371	$80	$461			$2,912	$0
Name	William Gordon	1.0	$19,500	$694	$3,000			$23,194	$678
Name	Patricia Sprague	1.0	$19,500	$694	$3,000			$23,194	$678
Name	Roxanne Tiessen	1.0	$2,371	$65	$0			$2,436	$0
Name	Lynn Patterson	1.0	$19,500	$124	$2,000			$21,624	$0
Name	Paul Dolynny	1.0	$17,129	$596	$2,000			$19,725	$678
Name	Mae AdamyA	1.0	$17,129	$695	$4,986			$22,810	$295
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*11.0*	*$177,773*	*$5,946*	*$28,892*			*$212,611*	*$5,079*
Superintendent	Rob McPhee	1.0	$144,663	$14,682	$6,000	$0	$0	$165,345	$6,563
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Brian Smith	1.0	$123,323	$22,492	$0	$0	$0	$145,815	$2,623
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		896.5	$64,738,575	$6,872,106	$66,999	$0	$0	$71,677,680	
Uncertificated Salaries & Wages		514.0	$17,537,607	$3,678,918	$18,731	$0	$0	$21,235,256	
TOTALS			**$82,721,941**	**$10,594,144**	**$120,622**	**$0**	**$0**	**$93,436,707**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 0048

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2005

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2
Legal Name of School Jurisdiction

BOX 4265 SPRUCE GROVE, AB. T7X 3B4
Mailing Address

780-962-5627 FAX 780-962-4664
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

GERALD BERNAKEVITCH	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

MEL J. MALOWANY	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

JACQUELINE GILBERT	"ORIGINAL SIGNED"
Name	Signature

14-Nov-05
Board-approved Release Date

c.c. **ALBERTA EDUCATION, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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AUDITORS' REPORT

To The Trustees of
Evergreen Catholic Separate Regional Division No. 2
Spruce Grove, Alberta

We have audited the statement of financial position of Evergreen Catholic Separate Regional Division No. 2 as at August 31, 2005 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an audit opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2005 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hawkings Epp Dumont LLP

Edmonton, Alberta
October 7, 2005

HAWKINGS EPP DUMONT LLP
Chartered Accountants

Founding Partners
F.J. Bruha, CA (Deceased)
A.W. Whelan, CA (Retired)

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*Professional Corporation

School Jurisdiction Code: 0048

STATEMENT OF FINANCIAL POSITION

as at August 31, 2005

(in dollars)

		2005	2004
ASSETS			
Current assets			
Cash and temporary investments		$3,122	$3,181,795
Accounts receivable (net after allowances)		$5,927,475	$2,729,213
Prepaid expenses		$118,704	$171,788
Other current assets		$0	$0
Total current assets		$6,049,301	$6,082,796
School generated assets		$245,680	$251,862
Trust assets		$121,794	$154,544
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,025,883	$775,883
Buildings	$37,251,303		
Less: accumulated amortization	($9,256,515)	$27,994,788	$22,839,366
Equipment	$3,466,325		
Less: accumulated amortization	($2,286,519)	$1,179,806	$918,436
Vehicles	$54,304		
Less: accumulated amortization	($9,398)	$44,906	$18,796
Total capital assets		$30,245,383	$24,552,481
TOTAL ASSETS		$36,662,158	$31,041,683
LIABILITIES			
Current liabilities			
Bank indebtedness		$984,670	$0
Accounts payable and accrued liabilities		$2,184,975	$1,674,394
Deferred revenue		$312,116	$71,278
Deferred capital allocations		$600,025	$1,955,515
Current portion of all long term debt		$496,230	$521,945
Total current liabilities		$4,578,016	$4,223,132
School generated liabilities		$245,680	$251,862
Trust liabilities		$121,794	$154,544
Employee future benefits liability		$0	$0
Long term payables and accrued liabilities		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$4,389,799	$4,911,744
Less: Current portion of supported debt		($496,230)	($521,945)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$24,050,410	$18,249,470
Total long term liabilities		$28,311,453	$23,045,675
TOTAL LIABILITIES		$32,889,469	$27,268,807
NET ASSETS			
Unrestricted net assets		$273,153	$530,673
Operating Reserves		$1,123,958	$1,190,930
Accumulated Operating Surplus (Deficit)		$1,397,111	$1,721,603
Investment in capital assets		$1,805,182	$1,391,273
Capital Reserves		$570,396	$660,000
Total Capital Funds		$2,375,578	$2,051,273
Total net assets		$3,772,689	$3,772,876
TOTAL LIABILITIES AND NET ASSETS		$36,662,158	$31,041,683

Note: Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0048

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31, 2005

(in dollars)

	Actual 2005	Budget 2005	Actual 2004
REVENUES			
Government of Alberta	$15,164,966	$14,560,557	$14,450,326
Federal Government and/or First Nations	$34,751	$0	$28,361
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$171,295	$141,790	$146,266
Transportation fees	$0	$0	$0
Other sales and services	$32,029	$0	$82,471
Investment income	$67,650	$5,000	$69,860
Gifts and donations	$500	$0	$519
Rentals of facilities	$0	$0	$0
Net school generated funds	$151,465	$80,000	$150,481
Gains on disposal of capital assets	$0	$0	$1,400
Amortization of capital allocations	$1,172,289	$1,031,568	$1,055,633
Total Revenues	$16,794,945	$15,818,915	$15,985,317
EXPENSES			
Certificated salaries	$9,340,891	$8,748,708	$8,584,349
Certificated benefits	$1,037,839	$1,072,975	$938,620
Uncertificated salaries and wages	$1,938,043	$1,816,336	$1,752,451
Uncertificated benefits	$412,761	$317,557	$389,514
Services, contracts and supplies	$2,332,316	$2,198,097	$2,312,461
Net school generated funds	$151,465	$80,000	$150,481
Capital and debt services			
Amortization of capital assets			
Supported	$1,172,289	$1,031,568	$1,055,633
Unsupported	$200,826	$20,463	$188,581
Total Amortization of capital assets	$1,373,115	$1,052,031	$1,244,214
Interest on capital debt			
Supported	$456,275	$582,633	$512,926
Unsupported	$0	$0	$0
Total Interest on capital debt	$456,275	$582,633	$512,926
Other interest charges	$2,427	$0	$0
Losses on disposal of capital assets	$0	$0	$28,918
Total Expenses	$17,045,132	$15,868,337	$15,913,934
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM	($250,187)	($49,422)	$71,383
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($250,187)	($49,422)	$71,383

Note: Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

School Jurisdiction Code: 0048

STATEMENT OF CASH FLOWS

for the Year Ended August 31, 2005

(in dollars)

	2005	2004
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($250,187)	$71,383
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,172,289)	($1,055,633)
Total amortization expense	$1,373,115	$1,244,214
Gains on disposal of capital assets	$0	($1,400)
Losses on sale of capital assets	$0	$28,918
Changes in accrued accounts:		
Accounts receivable	($3,198,262)	($1,653,355)
Prepaids and other current assets	$53,084	($22,418)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$510,581	($1,069,454)
Deferred revenue	$240,838	($56,495)
Employee future benefit expense (recovery)	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Operations	($2,443,120)	($2,514,240)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land		$0
Buildings	($6,188,833)	($3,613,266)
Equipment	($596,376)	($374,493)
Vehicles	($30,808)	$0
Net proceeds from disposal of capital assets	$0	$1,405
Other (describe)		$0
Total sources (uses) of cash from investing activities	($6,816,017)	($3,986,354)
C. FINANCING ACTIVITIES		
Capital allocations	$5,095,794	$1,378,551
Issue of long term debt	$0	$0
Repayment of long term debt	($521,945)	($560,947)
Add back: supported portion	$521,945	$560,946
Other (describe)		$0
Total sources (uses) of cash from Financing activities	$5,095,794	$1,378,550
Net sources (uses) of cash during year	($4,163,343)	($5,122,044)
Cash and temporary investments, net of bank indebtedness, at Aug. 31/04	$3,181,795	$8,303,839
Cash and temporary investments, net of bank indebtedness, at Aug. 31/05	($981,548)	$3,181,795

Note: 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.

2 Cash and temporary investments are net of cash obligations.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2005
(in dollars)

School Jurisdiction 0048

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS Cols 2+3+4	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL INTERNALLY RESTRICTED NET ASSETS Cols 5 to 14	INTERNALLY RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Operating Reserves	Capital Reserves	O& M Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2004	$3,772,876	$1,391,273	$530,673	$1,850,930	$580,131	$241,000	$312,599	$349,000	$298,200	$70,000	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance,Aug.31, 2004	$3,772,876	$1,391,273	$530,673	$1,850,930	$580,131	$241,000	$312,599	$349,000	$298,200	$70,000	$0	$0	$0	$0
Surplus(def) of revenue over expense	($250,187)		($250,187)											
Board funded capital transactions		$364,735	($364,735)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Direct credits to net assets	$250,000	$250,000												
Amortization of capital assets		($1,373,115)	$1,373,115											
Amortization of capital allocations		$1,172,289	($1,172,289)											
Disposal of unsupported capital asset	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets (board funded portion)	$0	$0	$0	$0		$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($396,207)	$396,207	$316,207		$0		$80,000		$0		$0	
Net transfers from operating reserves			$463,179	($463,179)	($358,110)		($75,874)		($29,195)		$0		$0	
Net transfers to capital reserves			($68,402)	$68,402		$36,100		$26,902		$5,400		$0		$0
Net transfers from capital reserves			$158,006	($158,006)		($47,738)		($72,066)		($38,205)		$0		$0
Balance at August 31, 2005	$3,772,689	$1,805,182	$273,153	$1,694,354	$538,228	$229,365	$236,725	$303,836	$349,005	$37,195	$0	$0	$0	$0

School Jurisdiction Code: 0048

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2005
(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 20	$1,955,515	$18,249,470
Prior period adjustment	$0	$0
Adjusted balance, August 31, 2004	$1,955,515	$18,249,470
Add:		
Capital allocations from: Infrastructure and Transportation-New/Modernization Projects	$5,093,541	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$2,253	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds		
Donated capital assets (amortizable, at Fair Market Value)		$0
Transferred in capital assets (amortizable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$521,945
Expended capital allocations - current year	($6,451,284)	$6,451,284
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		
Capital allocations amortized to revenue		$1,172,289
Balance at August 31, 2005	$600,025	$24,050,410

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2005

1. AUTHORITY AND PURPOSE

The Division delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives instruction and support allocations under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administration expenses.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The precise determination of certain assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

(b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following annual rates:

Buildings	40 years
Buildings - portables	25 years
Equipment	5 years
Vehicles	5 years

Capital assets with costs in excess of $5,000 are capitalized. Capital allocations received for asset additions are amortized into revenue over the same period as the amortization expense (see Note 9).

(c) School Generated Funds

These are funds which come under the control and responsibility of a school principal for school activities. They are usually collected, retained, and expended at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Vacation Pay

Vacation pay is accrued in the period in which the benefit is earned by the employee.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

The Division participates in the multi-employer pension plan, Local Authorities Pension Plan and does not report any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of $82,464 (2004 - $72,483) for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of $1,288,924,000 (2003 - deficiency of $1,453,487,000).

(f) Prepaid Expenses

Certain expenses incurred and paid for before the close of the fiscal year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(g) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Financial Instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

(i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the Division to set aside funds for future operating and capital purposes. These reserves are appropriations of unrestricted net assets.

3. ACCOUNTS RECEIVABLE

	2005	2004
Alberta Infrastructure and Transportation	$ 4,937,594	$ 1,727,388
Alberta municipalities	405,530	438,541
Federal government	260,690	134,508
Alberta Finance	239,681	270,254
Other	82,116	56,306
Alberta Education	1,714	73,855
Other Province of Alberta	150	-
First Nations	-	28,361
	$ 5,927,475	$ 2,729,213

4. BANK INDEBTEDNESS

The School Division has negotiated a line of credit in the amount of $1,350,000 that bears interest at the bank prime rate. The line of credit is secured by a borrowing bylaw and a security agreement.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2005	2004
Other trade payables and accrued liabilities	$ 1,275,501	$ 996,884
Alberta Education	417,637	396,419
Alberta Finance	239,681	270,254
Federal government	199,652	-
Alberta municipalities	39,415	-
Other Alberta School Jurisdictions	13,089	10,837
	$ 2,184,975	$ 1,674,394

6. DEFERRED REVENUE

	2005	2004
Infrastructure Maintenance Program	$ 143,579	$ 70,341
Class size funding	81,860	-
Video conferencing	50,032	-
Instruction material fees	36,645	-
Other	-	937
	$ 312,116	$ 71,278

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the Division for the following:

	2005	2004
Deferred salary leave plans	$ 60,228	$ 94,297
Professional improvement leave plan	61,566	60,247
	$ 121,794	$ 154,544

8. LONG-TERM DEBT

The debentures are held with Alberta Capital Finance Authority, bear interest at rates ranging from 7.625% to 12.0% and are fully supported by Alberta Finance.

Debenture payments due over the next five years and beyond are as follows:

2006	$ 496,230
2007	496,230
2008	472,570
2009	421,646
2010	320,646
2011 to maturity	2,182,477
	$ 4,389,799

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose received or are receivable by the Division but the related expenditure has not yet been made at year-end. When expended, these deferred capital allocations are transferred to unamortized capital allocations.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. Unamortized capital allocations are increased by transfers of previously deferred capital allocations which are now spent, as well as fully-supported debenture principle repayments.

11. COMMITMENTS

The Division is committed to an office lease agreement with the Catholic Archdiocese of Edmonton which expires June 30, 2012. Annual lease payments of $22,000 are required during the term of the lease. The Division has prepaid lease payments up to and including June 2007.

12. CONTINGENCIES

The Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represent equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset which the Division can liquidate.

13. ECONOMIC DEPENDENCE

The Division's primary source of revenue is received from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

14. SUBSEQUENT EVENT

Pursuant to a Ministerial Order, effective September 1, 2005, the Hinton Ward of Living Waters Catholic Regional Division No. 42 elected to withdraw from Living Waters Catholic Regional Division No. 42 and join Evergreen Catholic Separate Regional Division No. 2. The assets and liabilities of Living Waters Catholic Regional Division No. 42 as at August 31, 2005 attributable to schools operating in Hinton shall be transferred to Evergreen Catholic Separate Regional Division No. 2.

15. BUDGET FIGURES

The budget was prepared by the Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

16. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

EVERGREEN CATHOLIC SEPARATE REGIONAL DIVISION NO. 2

SCHEDULE OF SERVICES, CONTRACTS, AND SUPPLIES EXPENSES

FOR THE YEAR ENDED AUGUST 31, 2005

	2005 (Budget) (Note 15)	2005 (Actual)	2004 (Actual)
Utilities	$ 457,200	$ 488,017	$ 400,576
Supplies and materials	300,000	363,233	313,825
Contracted and professional services	250,000	268,617	194,353
Rentals	200,000	220,983	259,763
Maintenance and repairs	200,000	199,978	303,453
Furniture and equipment	120,000	137,013	168,874
Textbooks	100,000	81,735	131,354
Student transportation	75,000	81,168	61,178
Professional development	90,000	80,048	72,075
Insurance	78,900	76,414	81,176
Library and media materials	60,000	65,021	60,287
Other schools - tuition	55,000	50,079	50,117
Memberships and fees	45,000	45,809	54,056
Telephone services	40,000	38,647	40,443
Staff/community relations	25,000	36,188	28,166
Travel and subsistence	30,000	31,410	29,686
Software	20,000	15,834	8,567
Postage fees	15,000	15,452	15,386
Printing and binding services	15,000	14,860	22,279
Advertising	15,000	14,325	9,125
Correspondence courses	5,000	7,485	5,516
Bank charges	1,997	-	2,206
	$ 2,198,097	$ 2,332,316	$ 2,312,461

SCHEDULE A to the AFS

School Jurisdiction Cod 0048

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

	REVENUES	TOTAL	ECS to Grade 12 Instruction	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Admin.	External Services
(1)	**Alberta Education Revenues**	$13,645,732	$12,249,203	$584,032	$0	$812,497	$0
	Alberta Infrastructure and Transportation						
(2)	Infrastructure Maintenance Program & Portable Relocations support	$238,684	$0	$238,684			
(3)	Regular Operations & Maintenance support	$817,645		$817,645			
(4)	Other support	$0	$0	$0			
(5)	**Total Alberta Infrastructure and Transportation Revenues**	$1,056,329	$0	$1,056,329			
(6)	**Alberta Finance**	$456,275		$456,275			$0
(7)	**Other - Government of Alberta**	$6,630	$0	$6,630	$0	$0	$0
(8)	**Federal Government and/or First Nations**	$34,751	$29,354	$3,636	$0	$1,761	$0
(9)	**Other Alberta school authorities**	$0	$0	$0	$0	$0	$0
(10)	**Out of province authorities**	$0	$0	$0	$0	$0	$0
(11)	**Alberta municipalities** (excl. supplementary requisitions)	$0	$0	$0	$0	$0	$0
(12)	**Instruction resource fees**	$171,295	$171,295				
(13)	**Transportation fees**	$0			$0		
(14)	**Other sales and services**	$32,029	$14,790	$5,260	$0	$1,225	$10,754
(15)	**Investment income**	$67,650	$38,426	$24,495	$0	$4,729	$0
(16)	**Gifts and donations**	$500	$500	$0	$0		$0
(17)	**Rentals of facilities**	$0	$0	$0	$0	$0	$0
(18)	**Net school generated funds**	$151,465	$151,465			$0	
(19)	**Gains on disposal of capital assets**	$0	$0	$0	$0	$0	$0
(20)	**Amortization of capital allocations**	$1,172,289	$154,561	$1,017,728	$0		$0
(21)	**TOTAL REVENUES**	$16,794,945	$12,809,594	$3,154,385	$0	$820,212	$10,754
	EXPENSES						
(22)	**Certificated salaries**	$9,340,891	$9,205,192			$125,404	$10,295
(23)	**Certificated benefits**	$1,037,839	$1,022,150			$15,230	$459
(24)	**Uncertificated salaries and wages**	$1,938,043	$1,068,988	$628,323	$0	$240,732	$0
(25)	**Uncertificated benefits**	$412,761	$229,984	$144,312	$0	$38,465	$0
(26)	**SUB - TOTAL**	$12,729,534	$11,526,314	$772,635	$0	$419,831	$10,754
(27)	**Services, contracts & supplies**	$2,332,316	$1,076,274	$969,740	$0	$286,302	$0
(28)	**Cost recoveries & charges to programs**	$0	$0	$0	$0	$0	$0
(29)	**Net school generated funds**	$151,465	$151,465				
	Capital and debt services						
	Amortization of capital assets						
(30)	Supported	$1,172,289	$154,561	$1,017,728	$0	$0	$0
(31)	Unsupported	$200,826	$168,355	$13,613	$0	$18,858	$0
(32)	Total Amortization	$1,373,115	$322,916	$1,031,341	$0	$18,858	$0
	Interest on capital debt						
(33)	Supported	$456,275	$0	$456,275	$0	$0	$0
(34)	Unsupported	$0	$0	$0	$0	$0	$0
(35)	Other interest charges	$2,427	$2,024	$268	$0	$135	$0
(36)	Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0
(37)	**TOTAL EXPENSES**	$17,045,132	$13,078,993	$3,230,259	$0	$725,126	$10,754
(38)	**SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM**	($250,187)	($269,399)	($75,874)	$0	$95,086	$0

School Jurisdiction Code: 0048

SCHEDULE B to the AFS
ALBERTA EDUCATION REVENUES 2004-2005

	TOTAL
Base Funding	
Early Childhood Services (ECS)	$431,868
Base Instruction (Gr 1-12)	$10,861,327
Outreach Programs	$0
Home Education	$0
Differential Cost Funding *	$1,105,695
Other Provincial Support	
Institutional Programs	$0
Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)	$0
Learning Resources Credit	$15,441
Federal French Funding	$4,656
Provincial Priority Targeted Funding	
Class Size Initiative	$284,435
Student Health Initiative (SHI)	$19,106
Alberta Initiative for School Improvement (AISI)	$266,541
High Speed Networking	$7,552
Children and Youth with Complex Needs	$0
Other Alberta Education Revenues (describe) Videoconferencing, Microsoft License Rebate, Additional Resources	$649,111
Total Alberta Education Revenues	$13,645,732

* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services

School Jurisdiction Code: 0048

SCHEDULE C the AFS

ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005

SUB-PROGRAMS & INITIATIVES	ECS to GRADE 12 Instruction						
	Certificated Remuneration	Uncertificated Remuneration	Services, Contracts & Supplies [1]	Learning Resources	Cost Recoveries & Transfers	Other Expenses [2]	TOTAL EXPENSES
School Administration & All Instruction Support	$927,820	$535,712	$0		$0	$0	$1,463,532
Mild & Moderate Disabilities/Gifted & Talented (ECS-12)	$773,682	$0	$0		$0		$773,682
ECS Program Unit (PUF)	$0	$37,725	$8,958		$0		$46,683
Severe Disabilities (Gr 1-12)	$372,307	$439,886	$0		$0		$812,193
English as a Second Language	$0	$2,800	$1,500		$0		$4,300
French Language Program & Francisation (all jurisdictions)	$0	$0	$4,700		$0		$4,700
First Nations, Metis and Inuit Education (ECS - Gr 12)	$0	$0	$2,000		$0		$2,000
Home Education	$0	$0	$0		$0		$0
Institutional Programs	$0	$0	$0		$0		$0
Alberta Initiative for School Improvement	$328,102	$21,373	$8,875	$735	$0		$359,085
Student Health Initiative	$0	$15,000	$4,106		$0		$19,106
High Speed Networking			$7,553		$0		$7,553
Class Size	$284,435	$0	$0	$0	$0		$284,435
Children and Youth with Complex Needs (ECS - Gr 12)	$0	$0	$0		$0		$0
All Other Student Instruction Expenses (ECS - Gr 12)	$7,538,629	$248,573	$878,582	$159,535	$0	$476,405	$9,301,724
TOTAL EXPENSES	$10,224,975	$1,301,069	$916,274	$160,270	$0	$476,405	$13,078,993

FULL-TIME-EQUIVALENCIES (Board/Contract)	FTE Certificated	FTE Uncertificated
Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 1	10.0	3.5
ECS Program Unit (PUF)	0.0	2.0
Severe Disabilities (Gr 1-12)	4.8	16.1

Note 1 Excludes Learning Resources.

Note 2 Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.

School Jurisdiction Code: 0048

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005

TOTAL EXPENSES	**$17,045,132**

STEP 1

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over	= 4%	**5.88%**
If "Total Net Enrolled Students" are 2,000 and less	= 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 2

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES		$1,002,254
Considerations for Charter Schools and Small School Boards:		
If **Charter School**, enter $56,100	$0	$0
If **School Board**, please enter your 04-05 Gr 1- 12 funded enrolment	0	
	$0	$0
MAXIMUM EXPENSE LIMIT		**$1,002,254**

STEP 3

Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$725,126
PLUS: transfers to Restricted - Operating (Board/System Administration)	$80,000
LESS: transfers from Restricted - Operating (Board/System Administration)	-$29,195
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$775,931
MAXIMUM EXPENSE LIMIT	$1,002,254
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$226,323

School Jurisdiction Code: 0048

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005

Unexpended SGF - Opening Balance August 31, 2004 (Note 1)				$251,862
Source of Net School Generated Funds:	Gross SGF	Related Expenses	Net SGF	
Fundraising activities	$120,143	$118,902	$1,241	
Student fees (Non-Instructional) (Note 2)	$42,190		$42,190	
Donations and grants to schools	$2,240		$2,240	
Other (describe) Grads, Tourments, Milk, Hot Lunch etc	$532,367	$462,283	$70,084	
Net Additions to SGF	$696,940	$581,185		$115,755
Net SGF Available for Discretionary Spending				$367,617
Application of Net School Generated Funds:				
Extra-curricular activities			$20,190	
School beautification			$17,200	
Field Trips			$22,000	
Equipment			$40,460	
Family literacy and other community resources			$0	
Other (describe) School Activities/Events, Interest Earned			$22,087	
Net SGF Expended for Discretionary Purposes (Note 3)				$121,937
Unexpended SGF - Closing Balance August 31, 2005 (Note 4)				$245,680

School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the *School Act*, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)

Note 1 Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.

Note 3 Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues & Expenses.

Note 4 Unexpended SGF is carried forward to the Statement of Financial Position.

School Jurisdiction Code: 0048

SCHEDULE F to the AFS
Operations and Maintenance Program Expenses - 2004-2005

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod./I.M.P. & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$486,244	$20,928	$0	$15,072	$106,079	$628,323		$628,323
Uncertificated benefits	$111,745	$2,176	$0	$5,024	$25,367	$144,312		$144,312
Sub-total Remuneration	$597,989	$23,104	$0	$20,096	$131,446	$772,635		$772,635
Contracted Services	$194	$137,005		$218,588	$6,341	$362,128		$362,128
Supplies	$63,643	$10,278	$0	$0	$514	$74,435		$74,435
Electricity			$283,672			$283,672		$283,672
Natural Gas/Heating Fuel			$159,916			$159,916		$159,916
Sewer and Water			$17,630			$17,630		$17,630
Telecommunications			$5,819			$5,819		$5,819
Insurance					$66,140	$66,140		$66,140
Amortization of capital assets								
Supported							$1,017,728	$1,017,728
Unsupported						$13,613		$13,613
Total Amortization						$13,613	$1,017,728	$1,031,341
Interest on capital debt								
Supported							$456,275	$456,275
Unsupported				$0		$0		$0
Other interest charges						$268		$268
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$661,826	$170,387	$467,037	$238,684	$204,441	$1,756,256	$1,474,003	$3,230,259
SQUARE METRES								
School Buildings								24,666.5
Non School Buildings								1,219.0
UNCERTIFICATED FTE'S (Board/Contract)	13.3	1.5						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/I.M.P. & Portable Relocations:	All expenses associated with non-capital activites related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations
Facility Planning & Operations Administration:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, I.M.P., block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 0048

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2004-2005
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
GERALD BERNAKEVITCH	1.0	$19,575	$553	$0			$20,128	$3,688
		$0	$0	$0			$0	
Other Board Members:								
JOSEPH MACLELLAN	1.0	$8,925	$227	$0			$9,152	$2,124
CAREN MUELLER	1.0	$12,325	$325	$0			$12,650	$4,707
CHRISTINE SAUER	1.0	$8,946	$197	$0			$9,143	$2,930
ROBERT VASSEUR	1.0	$8,775	$181	$0			$8,956	$1,665
MARIAN WALSHE	0.8	$7,258	$160	$0			$7,418	$2,642
RICHARD YACEYKO	0.8	$6,958	$150	$0			$7,108	$1,519
KEITH SHILLINGTON	0.2	$1,167	$18	$0			$1,185	$0
ALVIN YAGER	0.2	$1,342	$24	$0			$1,366	$74
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
							$0	
Subtotal	*7.0*	*$75,271*	*$1,835*	*$0*			*$77,106*	*$19,349*
Superintendent MEL J. MALOWANY	1.0	$125,404	$8,863	$0	$0	$0	$134,267	$10,609
Superintendent							$0	
Secretary/Treasurer							$0	
Secretary/Treasurer							$0	
Board Secretary JUDY HARRINGTON	0.7	$24,689	$6,455	$0	$0	$0	$31,144	$125
Board Secretary							$0	
Board Treasurer JACQUELINE GILBERT	1.0	$87,500	$16,453	$0	$0	$0	$103,953	$7,583
Board Treasurer							$0	
Certificated Salaries	130.7	$9,215,487	$1,028,976	$0	$0	$0	$10,244,463	
Uncertificated Salaries & Wages	57.8	$1,750,583	$388,018	$0	$0	$0	$2,138,601	
TOTALS		**$11,278,934**	**$1,450,600**	**$0**	**$0**	**$0**	**$12,729,534**	

Note: Please refer to completion information on page 15.